

DAILY REPORT

China

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JULY TRADE FIGURES RELEASED; EXPORTS INCREASED

OW281106 Beijing XINHUA in English 0720 GMT 28 Aug 85

[Text] Beijing, August 28 (XINHUA) -- China's exports in July rose by 2.5 percent to 2.22 billion U.S. dollars, helping reduce the huge trade deficit, according to a Chinese Customs spokesman. The month's total foreign trade volume came to 5.67 billion U.S. dollars, 29.9 percent more than for July 1984. Imports rose by 58 percent to 3.45 billion U.S. dollars, still leaving a trade deficit of 1.23 billion U.S. dollars.

Exports to Japan and the United States continued to drop, but grew to Hong Kong and Macao, the European Economic Community, the ASEAN countries and the Soviet Union. Exports to the ASEAN countries increased by 63.9 percent over July of last year and to the Soviet Union, by 63 percent. Most imports came from Japan, jumping 87 percent over July of last year. This widened the trade gap with Japan still more.

Major increases in export were live poultry, grain, filature silk and crude oil. Exports of rabbit hair, tungsten sand, carpets and bicycles dropped. Leading imports were refined sugar, logs, chemical fibers, wool, iron ore, soda ash, rolled steel, and machinery, calculators, television sets, radio-recorders and vehicles.

Trade volume in the first seven months of this year totalled 35.97 billion U.S. dollars. Imports totalled 21.93 billion U.S. dollars and exports 14.04 billion U.S. dollars, a deficit of 7.89 billion U.S. dollars, the Customs spokesman said.

XINHUA REPORTS NON-PROLIFERATION REVIEW MEETING

OW281056 Beijing XINHUA in English 0759 GMT 28 Aug 85

[Text] Geneva, August 27 (XINHUA) -- United Nations Secretary General Javier Perez de Cuellar called on the superpowers to end the nuclear arms race at the opening today of a non-proliferation treaty review conference. The nuclear powers must cease their "unlimited expansion" of nuclear arsenals if they expect continued restraint by other nations, he said.

In a statement read to the delegates, the U.N. chief said that the spread of atomic weapons to more countries had been stopped but nuclear states had not honored their pledge to end the arms race. "In this respect, the implementation of the treaty has been largely one-sided, to the understandable concern and profound dissatisfaction of its non-nuclear weapons parties," he added.

Delegates from some 80 countries attended the opening meeting. The month-long conference is the third of its kind since the treaty to stop the global spread of nuclear weapons took effect in 1970.

Soviet leader Mikhail Gorbachev, in a message to the opening session, called on all nuclear powers to join Moscow in renouncing any first use of nuclear weapons. "The USSR has made a pledge not to be the first to use nuclear weapons (and) if those nuclear powers that have not yet done so follow suit, this would be tantamount to banning the use of nuclear weapons altogether," he said.

Without citing the United States' Strategic Defense Initiative, popularly known as "star wars," Gorbachev said any curtailing of the nuclear arms race "is inseparably linked with the task of preventing the militarization of outer space." The Soviet leader also called explicitly on the United States to join the current unilateral Soviet moratorium on nuclear tests.

The non-proliferation treaty (NPT) has 130 full signatories. Four other countries have signed but not ratified the treaty, which will expire in 1995.

PRC EXPERT NAMED TO INTERNATIONAL LAW ASSOCIATION

OW282049 Beijing XINHUA in English 2010 GMT 28 Aug 85

[Text] Helsinki, August 28 (XINHUA) -- The 62th session of the International Law Association closed here today after discussing the effects of armed conflicts on agreements between states and the laws concerning divorce between citizens from different countries.

More than 100 members from 40 countries and regions attended the eight-day meeting. Vice President of the Chinese Law Association and law professor of Beijing University Wang Tieya attended the meeting. The association was supplemented by nine members through election at the meeting. Li Haopei, law advisor to the Chinese Foreign Ministry and a famous law expert, was elected associate member of the association.

The International Law Association, established in 1873 in Belgium, is the most authoritative academic organization of the international law circle. The resolutions approved by the association's meeting held biennially and by its committees have important impacts on the legislative work of international organizations and every country. The next session will be held in Egypt in 1987.

SPOKESMAN ANNOUNCES UPCOMING FOREIGN VISITORS

Basotho King

OW281044 Beijing XINHUA in English 1030 GMT 28 Aug 85

[Excerpt] Beijing, August 28 (XINHUA) -- At the invitation of President Li Xiannian of the People's Republic of China, his majesty King Constantine Bereng Seeiso Moshoeshe II of Lesotho will pay an official goodwill visit to China from August 31 to September 7. This was announced by a spokesman of the Foreign Ministry at today's weekly news briefing.

Austrian President

OW281228 Beijing XINHUA in English 1208 GMT 28 Aug 85

[Text] Beijing, August 28 (XINHUA) -- Dr. Rudolf Kirchschlaeger, president of the Republic of Austria will pay a state visit to China from September 11 to 18 at the invitation of President Li Xiannian of the People's Republic of China. This was announced by a spokesman of the Chinese Foreign Ministry at the weekly news briefing today.

TOP LEADERS MEET WITH JAPANESE SOCIALIST GROUP

Deng Xiaoping on Continuity

OW291110 Beijing XINHUA in English 1046 GMT 29 Aug 85

[Text] Beijing, August 29 (XINHUA) -- The continuity of China's policies do not rely on one person, China's senior leader, Deng Xiaoping, said here today. Deng, chairman of the Communist Party Central Advisory Commission, was speaking during a meeting with a Japanese Socialist Party delegation, led by Secretary-General of the Central Executive Committee Makoto Tanabe.

The correctness of China's policies themselves would ensure their survival, said Deng. In addition, more young people would be appointed to the Communist Party Central Committee, Political Bureau and Secretariat to carry the policies forward. The forthcoming conference of party delegates would focus on the promotion of more young people to leading posts.

Deng also explained the economic restructuring in China's cities, which he called a "great cause". He said: "If China's reforms achieve the good results we hope for, we will not only ensure sustained and stable development this century, but also in the next one." These efforts were new, and mistakes might be made, said Deng, adding: "We will do our best to avoid making big mistakes, and correct any that we do make."

Makoto Tanabe expressed his heartfelt wish for the success of China's economic restructuring, which he called an "unparalleled feat".

Deng told him that the reforms China was undertaking were "socialist economic reforms", and the four modernizations comprised the "socialist four modernizations program". He said that some people were worried that China might become capitalist, but he said it would "definitely not".

China must insist on two points -- the predominant position of public ownership in the economy, and the prevention of a polarization of wealth in the drive for prosperity for all. China allowed some of the people to become prosperous first, so that the wealthier areas could support the poorer ones and help them prosper too. The fears of some people that China would turn away from socialism were "unnecessary".

Asked about his view on Sino-Japanese relations, Deng said relations between the two nations were good, but some problems did exist. For instance, some Japanese entrepreneurs were not bold enough to participate in economic co-operation with China. And Asian people, including many Japanese, felt concerned about the actions of a few Japanese militarists. "Past experience, if not forgotten, is a guide for the future," Deng said, adding that this was an old saying shared by the two nations. He hoped that Japanese politicians always bore this in mind.

Tanabe said his party had remained vigilant against the Japanese militarists, and members of his delegation would make efforts to promote economic co-operation between the two countries.

Hu Yaobang on CPC Conference

OW281453 Beijing XINHUA in English 1438 GMT 28 Aug 85

[Text] Beijing, August 28 (XINHUA) -- The Chinese Communist Party conference to be held in mid-September will mainly discuss personnel arrangements, said General Secretary Hu Yaobang of the CPC Central Committee here today. The conference will discuss China's Seventh Five-Year Plan as well, he added.

Hu made these remarks during his meeting with a delegation from the Japanese Socialist Party [JSP] led by Secretary-General of the Central Executive Committee Makoto Tanabe here this afternoon. Hu told the visitors that the CPC Central Committee, the Central Advisory Commission and the Central Commission for Discipline Inspection are in unison politically, but their members are too old and their range of knowledge is limited. There is the need to infuse more young, capable and knowledgeable people into these bodies so as better to guide the modernization drive and ensure the continuity of China's present policies. The Chinese CP leader also exchanged views with Tanabe on international issues of common interest.

Speaking of Sino-Japanese relations, Hu Yaobang said that the present relations between the two countries are at their best since the end of the last century. This is the result of the efforts made by the Chinese and Japanese peoples and the policies pursued by the two governments. "Our two countries and peoples must never forget the past experience and must cherish these hard-won friendly relations," Hu said.

Tanabe responded by saying that the majority of the Japanese people will never forget the history and that Japan will never fight against China again. He said the Japanese Socialist Party will continue to work for the development of Japan-China relationship so as to hand down the friendship from generation to generation.

Hu expressed his appreciation for the efforts made by the Japanese Socialist Party for Sino-Japanese friendship.

The meeting was followed by a dinner given by Hu in honor of the Japanese delegation. Present on the occasion were Yao Yilin, alternate member of the Political Bureau and member of the Secretariat of the CPC Central Committee; Ji Pengfei, Standing Committee member of the CPC Central Advisory Commission and state councillor; Qiao Shi, alternate member of the Secretariat of the CPC Central Committee; Qian Qiren, head of the International Liaison Department of the CPC Central Committee; and Kagechika Matano, charge d'affaires ad interim of the Japanese Embassy in Beijing.

Yao Yilin Winds Up Talks

OW281223 Beijing XINHUA in English 1209 GMT 28 Aug 85

[Text] Beijing, August 28 (XINHUA) -- Yao Yilin, an alternate member of the Political Bureau of the Central Committee of the Chinese Communist Party, wound up two rounds of talks here this morning with Makoto Tanabe, secretary-general of the Central Executive Committee of the Japanese Socialist Party. Tanabe is leading a delegation from his party for a friendly visit to China, which began August 26.

During the first round of talks yesterday, the Japanese Socialist Party leader briefed Yao on Japan's political and economic situation and his party's domestic and foreign policies. In the second round of talks today, Yao told the Japanese visitors about China's industrial and agricultural development and the economic restructuring since 1978 particularly since the Third Plenary Session of the 12th Chinese Communist Party Central Committee in 1984. The two party leaders also discussed current world situation, disarmament, peace in Asia and peace in the world as a whole and some other international issues of common interest.

Yao spoke highly of other important contributions made by the Japanese Socialist Party over a long period of time in developing Sino-Japanese friendship. He said the establishment of formal relations between the Chinese Communist Party and the Japanese Socialist Party in 1983 conforms to the interests of the two peoples. Both sides agreed that the two parties would further develop their friendly relations.

Other members of the Japanese Socialist Party delegation and head of the International Liaison Department of the Chinese Communist Party Central Committee Qian Liren attended the talks.

BEIJING TV REPORTS ON RECEPTION FOR DPRK YOUTHS

HK281135 [Editorial Report] Beijing Domestic Television Service in Mandarin at 1100 GMT on 24 August, during its regular evening newscast, shows a 2-minute film clip concerning Beijing's 23 August "grand" reception, hosted by the CYL Central Committee for a DPRK youth good-will group led by Yi Yong-su, chairman of the Central Committee of the League of Socialist Working Youth of Korea.

The film opens with shots of the DPRK group leader entering a reception hall of the Great Hall of the People in the company of the following leaders (in order of appearance): Wan Li, identified by the announcer as member of the Political Bureau of the CPC Central Committee and vice premier of the State Council; Liu Yandong, identified by the announcer as permanent secretary of the Secretariat of the CYL Central Committee; Wang Renzhong (title not given by the announcer), Kang Keqing (title not given), Hu Qili (title not given), Hao Jianxiu (title not given), Yang Chengwu (title not given), Rong Gaotang (not named by the announcer), and Wang Zhaoguo (title not given).

The film then shows Liu Yandong delivering a "welcoming speech." During the shots of Liu's speech, the announcer states: "She said: The exceptionally spectacular friendly activities between the Chinese and Korean young peoples are being carried out under the loving care of General Secretary Hu Yaobang and President Kim Il-song. These activities will certainly promote understanding and fraternal love between the Chinese and Korean young people, and will add a new chapter to the history of friendly contacts between the Chinese and Korean youths."

Liu's speech is followed by a speech delivered by the group leader Yi Yong-su. Yi is quoted by the announcer as saying: "The current friendly get-togethers held under the auspices of Chinese and Korean leaders will certainly further develop and strengthen the fraternal and unbreakable traditional friendship between Korea and China. We firmly believe that the Korean and Chinese youths, with their own strength, wisdom, and continuous efforts, can certainly carry forward the friendship between our two countries and hand down the friendship from generation to generation."

Next, during the shots of Wan Li "making a toast on behalf of the CPC Central Committee and the State Council," the announcer states: "Wan Li said: We depend on the Chinese and Korean young people to carry on and further develop the deep Sino-Korean friendship. He wished that the Chinese and Korean young people would score greater achievements in their efforts to make their motherlands prosperous, rich, and strong, and that they would unite with the young people of other countries, work hard together, and contribute to peace in Asia and other parts of the world and to the progressive cause of mankind."

The film ends with a shot of Wan Li clinking glasses with the group leader and an unidentified man in the reception hall.

Group Visits Tianjin, Guangzhou

OW282009 Beijing XINHUA in English 1906 GMT 28 Aug 85

[Text] Beijing, August 28 (XINHUA) -- Five hundred youths from the Democratic People's Republic of Korea today visited factories and museums in groups in Tianjin and Guangzhou. The visitors were warmly greeted by leaders of the local governments and organizations of the Chinese Communist Youth League as well as Chinese young people.

In Guangzhou, they visited the site of the National Institute of Peasant Movement run by the late Chairman Mao Zedong in 1926 and the pavilion of the blood-sealed friendship between the Chinese and Korean peoples. The pavilion was set up in 1964 to commemorate the Korean youths who died in the Guangzhou uprising in 1926. The visitors pledged to work hard to promote the friendship between the two peoples. Another detachment of Koreans visited radio and wrist-watch factories in Tianjin which produced China's first T.V. set and wrist-watch.

XINHUA: LITTLE PROGRESS SEEN AS KOREAN TALKS END

OW281517 Beijing XINHUA in English 1446 GMT 28 Aug 85

[Text] Pyongyang, August 28 (XINHUA) -- The ninth meeting of North-South Red Cross talks ended here today without encouraging signs of progress. At today's meeting, the two sides, instead of discussing each other's proposals, argued vehemently over the walk-out by South Korean Red Cross delegates from a gymnastics performance yesterday afternoon.

Yi Chong-yul, chief Red Cross negotiator of the Democratic People's Republic of Korea (DPRK), told reporters after the meeting that the South Korean delegation's walk-out to "protest against strong political overtones" violated protocol and common sense and spoiled the atmosphere of the meeting, of which progress had been expected. He said that the South Korean delegation should be held responsible for the failure of the meeting. He said he believed that the incident would "have some effect" on the scheduled exchange of visitors' groups.

The South Koreans left abruptly only 20 minutes after the beginning of the performance given by 50,000 young gymnasts to mark the 40th anniversary of Korea's liberation. Yi said that the North-South talks would have to consider his five-point proposal on family reunions as well as the proposals put forward by the South.

At the meeting yesterday, the North proposed to sign an agreement specifying arrangements for free travel of war-torn family members. The South, on the other hand, proposed to sign three agreements on family reunions.

At the end of the talks today, the two sides agreed to hold another round of Red Cross talks in Seoul on November 26. The South Korean delegation is scheduled to leave here for Seoul tomorrow morning.

JAPANESE PRIME MINISTER MEETS PRC MOUNTAINEERS

OW290440 Beijing XINHUA in English 0250 GMT 29 Aug 85

[Text] Tokyo, August 28 (XINHUA) -- The first Sino-Japanese ascent to Mount Naimona Nyl showed that the two nations are advancing shoulder to shoulder towards the summit of friendship in the 21st century, Japanese Prime Minister Yasuhiro Nakasone said today. Nakasone made the remark when he received here a delegation of the Chinese mountaineers who participated in the joint expedition of the 7,694-meter maiden summit in China's Tibet Autonomous Region three months ago.

Shi Zhanchun, head of the delegation, presented to the Japanese prime minister the honorary climber's certificate, a rock sample of the summit and an ice pick. When he was told that the same gifts were also presented to Chinese Communist Party General Secretary Hu Yaobang, who proposed the joint climbing, Nakasone drew the analogy between the summit and the Sino-Japanese friendship in the 21st century, with the leaders of the two nations as mountaineers.

Nakasone expressed thanks to the four Chinese climbers who gave up the chance to conquer the summit to escort a sick Japanese climber down to the headquarters.

The Chinese delegation arrived in Japan's Osaka last Thursday for a ten-day visit to various Japanese cities.

DENG YINGCHAO MEETS JAPANESE ECONOMIC GROUP

OW251854 Beijing XINHUA in English 1838 GMT 25 Aug 85

[Text] Dalian, August 25 (XINHUA) -- Deng Yingchao, chairman of the National Committee of the Chinese People's Political Consultative Conference, met a 15-member Japanese delegation led by Kaheita Okazaki, permanent adviser to the Japan-China Economic Association, this evening in Dalian, a seaside city in northeast China.

88-year-old Okazaki has visited China more than 50 times and met with Chinese late Premier Zhou Enlai 18 times. Deng, also member of the Political Bureau of the Chinese Communist Party Central Committee, is the widow of Zhou.

U.S. DELEGATION ARRIVES IN HANOI FOR MIA TALKS

OW281551 Beijing XINHUA in English 1541 GMT 28 Aug 85

[Text] Hanoi, August 28 (XINHUA) -- A U.S. delegation flew in today for talks with the Vietnamese Government on U.S. servicemen missing in action (MIA) in the Vietnam war. The team is led by the U.S. National Security Council's director of political and military affairs, Richard Childress, who is expected to confer with Vietnamese Foreign Ministry officials tomorrow and to inspect spots where the U.S. aircrafts were brought down.

According to Western news agencies reports, Vietnam has conveyed to the U.S. through Indonesia its desire to hold talks with high-ranking U.S. officials to resolve the MIA issue. The U.S. had originally planned to send a delegation to Hanoi with Richard Armitage, the deputy secretary of defense as its leader. But Washington changed its mind later to send Childress instead owing to, as it said, some "difficulties" in making the necessary arrangement and to the absence of Vietnamese Foreign Minister Nguyen Co Thach now on a visit to Moscow. Observers here said that Vietnam wanted to receive some senior U.S. officials to demonstrate its new stance for better relations with the U.S. Vietnam has returned the remains of about 100 U.S. servicemen to the U.S. in past 10 years, but Washington said the MIA involved totalled about 2,000.

A statement issued by the U.S. State Department before of the delegation's arrival in Hanoi said that there has been no change in the U.S. policy toward Vietnam. The U.S. delegation is to discuss the MIA issue and not the normalization of bilateral relations, it added.

SIHANOUK MEETS PRC ENVOY, VOWS TO KEEP UP FIGHT

OW282058 Beijing XINHUA in English 2013 GMT 28 Aug 85

[Text] Danrek, Preah Vihear, Democratic Kampuchea, August 28 (XINHUA) -- The Kampuchean resistance forces will unite as one and fight against the Vietnamese aggressors until the country's independence is gained, Samdech Norodom Sihanouk, president of the Democratic Kampuchea (DK) said here today. Sihanouk made this statement after accepting credentials from new Chinese Ambassador to Kampuchea Zhang Dewei and Bangladesh Ambassador Enayetullah Khan in a new base inside Kampuchea today. The presentation ceremony, first since the fall of many resistance camps during the last Vietnamese dry-season offensive early this year, was held in a pavilion built not long ago for diplomatic use and witnessed by many Bangkok-based reporters.

In a reply to Bangladesh Ambassador Enayetullah Khan, Sihanouk said: "We lost quite a number of border bases in the last dry-season, but we still have some bases in hand near the Kampuchean-Thai border. Our appearance here today is an evidence of the existence of DK bases." "Contrary to the desire of Vietnam, tens of thousands of the DK resistance forces are not only alive, but also active in the interior provinces surrounding Tonle Sap Lake and the area bordering south Vietnam," he added.

Upon his arrival here, Sihanouk was greeted by some 200 well-attired villagers and a company of guards of honor formed by the national army fighters. Among those assembled to greet Sihanouk were DK Vice-President Khieu Samphan, members of the coordination committees of the Coalition Government Ieng Sary, Son Sen and other high ranking officials.

President Sihanouk is expected to call on Thai Prime Minister Prem Tinsulanon and Foreign Minister Sitthi Sawetsila tomorrow. He is also going to chair a DK cabinet meeting in Kampuchea and speak to a press conference in Bangkok.

JI PENGFEI MEETS WITH THAI NEWSPAPER EDITOR

OW281238 Beijing XINHUA in English 1219 GMT 28 Aug 85

[Text] Beijing, August 28 (XINHUA) -- State Councillor Ji Pengfei met Wu Gee Yueh, executive editor-in-chief of the Thai newspaper NEW CHINESE DAILY. At the meeting, Ji explained China's policy on Hong Kong issue and domestic situation.

Wu Gee Yueh arrived in Beijing on August 25 at the invitation of CHINA NEWS SERVICE.

XINHUA REPORTS EXPANDING TRADE WITH AUSTRALIA

OW240912 Beijing XINHUA in English 0837 GMT 24 Aug 85

[Text] Canberra, August 24 (XINHUA) -- Australia's exports to China increased by 73 percent in 1984-85 financial year and reached an overall height of 1055.9 million Australian dollars (754 million U.S. dollars), it was announced recently.

Trade Minister John Dawkins said in the parliament on August 22 that trade figures showed China had become Australia's fifth biggest market moving up from the original 10th place only twelve months ago. Australian exports of wheat, greasy wool, aluminium and aluminium alloys and leather all registered massive augmentation over last year. "It is estimated that trade in iron and steel and related products will be valued at around 295 million Australian dollars (210 million U.S. dollars) in 1985, an increase of 166 per cent over the two years since 1984." Dawkins said.

Dawkins told the parliament that the program of reforms and China's determination to modernize make China the world's only major new market and one of the significant economies of the world posting high growth rates. However, the bilateral trade during the past year was heavily in favor of Australia. The Australian Government had taken action to ensure a balance of bilateral trading opportunities by encouraging Australian companies to buy Chinese crude oil, Minister Dawkins said.

An import assistance program for China worth of 200,000 Australian dollars (142,800 U.S. dollars) will be used in various aspects, he added. These include expert advice on displays, marketing seminars in China explaining how to sell to Australia and an agent contact program for key importers of Chinese products. "Australia has an on-going program of import liberalization. China is in a good position to take advantage of it particularly with the textiles, clothing and footwear arrangements," the minister added.

FRENCH FOREIGN MINISTER INTERVIEWED ON EVE OF VISIT

OW280902 Beijing XINHUA in English 0845 GMT 28 Aug 85

[Text] Paris, August 27 (XINHUA) -- French Minister for External Relations Roland Dumas has said here that prospects for French-Chinese cooperation in technological fields including nuclear energy, space, telecommunications and transport are promising. Dumas said this in an exclusive interview with XINHUA on the eve of his official visit to China scheduled from August 29 to September 3.

The purpose of the visit, Dumas said, is to continue the dialogue that began long ago between the two countries and "to establish a direct contact with Chinese leaders." Dumas, who came to China in 1960 accompanying the late statesman Mendes-France, said that he rejoices over his second trip to China because he will be able to see for himself the prodigious developments in the country eulogized in the Western press. France is ready to help China with its modernization program, particularly in such fields as nuclear energy, space, telecommunications and transport, for which France is world famous, Dumas pointed out.

Like China, said Dumas, France shows great concern over the continuing conflicts in the Middle East, Central America and Indo-China, and it also condemns the continued occupation of Afghanistan. Concerning the French position in the United Nations on the situation in southern Africa, Dumas said, France advocates economic sanctions against the apartheid regime in South Africa.

On North-South relations, the French foreign minister said, France is contributing through the channel of multilateral aid development institutions to the remedy of inequality between North and South nations. However, the minister expressed regret over the "deadlock" in the North-South dialogue.

On the debt problem, France advocates in the International Monetary Fund a new allocation of special drawing rights in favor of developing nations and urges an augmentation of the capital of the World Bank, Dumas said. Dumas said that France agrees with the proposal on setting up a special fund for Africa and will do its bit to the organization.

"The European Economic Community nations have a desire to further their cooperation so as to bring it even closer and extend it to new fields," Dumas said. The French foreign minister reaffirmed the "prominent role" of the French-Federal German cooperation in the building of Europe. Although the two nations have differences over such questions as the U.S. Strategic Defense Initiative research program and economic sanctions against South Africa, these differences should not affect European solidarity, he stressed.

Talking on the scheduled visit to France by Soviet leader Mikhail Gorbachev in November, Dumas said that during his first official visit to a Western country as the Soviet Communist Party chief, Gorbachev would discuss international issues as well as bilateral relations with President Francois Mitterrand. He said that the French-Soviet summit would contribute to the improvement of West-East relations.

Dumas also gave a brief introduction on the progress of the French proposed European technological research project "Eureka." The official creation of "Eureka" was announced at a European technological conference held here in Paris in July.

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PRC INTERNATIONAL AFFAIRS
WESTERN EUROPE

Though details of the plan are yet to be worked out at a meeting of ministers scheduled for the fall, the creation of the plan was an important step in developing European technology and promoting the cooperation among the participants, said Dumas.

LI XIANNIAN MEETS SPANISH SENATE DELEGATION

OW231349 Beijing XINHUA in English 1331 GMT 23 Aug 85

[Text] Beijing, August 23 (XINHUA) -- Chinese President Li Xiannian met here today with a delegation from the Spanish Senate headed by its speaker, D. Jose Federico de Carvajal. President Li had met Senor de Carvajal last November when he visited Spain. De Carvajal conveyed greetings from Spanish King Juan Carlos to Li Xiannian and Li asked him to convey his regards to the king.

The speaker presented the Chinese president with the gold medal of the Senate of Spain specially designed for foreign heads of state. President Li in accepting it said it was "a symbol of friendship." Li told the guests that both Spain and China safeguard world peace and that there were no conflicts of interest between them. He expressed his belief that Sino-Spanish friendship would be consolidated and expanded. Li said that Spain's joining the European Community "was a good thing." He hoped to see a more united and stronger Europe and a better relationship between Western and Eastern Europe.

De Carvajal told Li that since their arrival in Beijing his delegation had had instructive talks and extensive exchanges of views with their Chinese counterparts on many issues. He said that both Spain and China contributed to the easing of international tension. He expressed the hope that the current visit would enhance economic, trade and cultural relations between the two countries and the friendship between the two peoples.

Present were vice-chairman of China's National People's Congress Standing Committee, Liao Hansheng, member Zhang Ruiying and Spanish Ambassador to China Mariano Ucelay de Montero.

Delegation Departs

OW281329 Beijing XINHUA in English 1316 GMT 28 Aug 85

[Text] Zhuhai, Guangdong Province, August 28 (XINHUA) -- A Spanish Senate delegation led by speaker Jose Federico de Carvajal wound up its week-long friendship visit to China and left here this morning by boat. De Carvajal told XINHUA before departure that he had seen the successes achieved by the Chinese people after the "Cultural Revolution".

China's policy of opening itself to the outside world is correct, he said, because all countries in this world are interdependent, should help each other and coexist in harmony. The Spanish speaker pointed out that Spain and China can increase exchanges in the fields of industry, trade, culture and tourism.

The delegation arrived in Zhuhai yesterday afternoon after visiting Guangzhou and Zhangshan cities in Guangdong Province.

ECONOMIC AGREEMENTS SIGNED WITH ZIMBABWE

OW281958 Beijing XINHUA in English 1454 GMT 28 Aug 85

[Text] Beijing, August 28 (XINHUA) -- The Chinese Government and the Zimbabwean Government signed an agreement on economic and technical cooperation and another on the establishment of a joint economic, technical and trade cooperation commission here today. The agreements were signed by Chinese Premier Zhao Ziyang and Zimbabwean Prime Minister Robert Mugabe.

According to the agreement on economic and technical cooperation, China will provide an interest-free loan to Zimbabwe. The commission is to explore fields and ways to develop economic, technical and trade cooperation between the two countries.

COLUMNIST QUESTIONS U.S. MOTIVES IN SOUTH AFRICA

HK280824 Beijing RENMIN RIBAO Overseas Edition in Chinese 24 Aug 85 p 6

["International Jottings" by Li Wenzheng: "'Human Rights' Specialists Do Not Want To Talk About 'Human Rights'"]

[Text] The bloody atrocities of the South African racist regime are indeed a test of certain Western statesmen in the habit of loudly calling for "human rights."

The South African racist authorities recently declared a state of emergency in South Africa to suppress the masses of blacks. According to Western press reports, in mine-proof armored cars, fully armed military police wielding automatic rifles, tommy guns, and bayonets moved into black residential areas in the early morning hours "like intruding aggressor troops," wantonly slaughtering and arresting people. Statistics show that the Botha regime has killed more than 600 blacks in less than 1 year.

As far as "human rights" are concerned, is there the least protection of the "human rights" of the South Africans under the rule of racists? Those people talking glibly about "human rights" have kept quiet on the subject. They have even maintained "constructive" contacts with the Botha authorities, spreading many stories to create an optimistic atmosphere.

At what are these "constructive" contacts aimed? It is not the blacks' "human rights." It can only be a mountain of black bones.

"Human rights" specialists avoid the subject of "human rights" out of hidden motives. Available data shows that both the United States and Britain are the largest investors in South Africa, with commitments worth around \$17.5 billion. South Africa's rich mineral resources are specially indispensable to the West. Furthermore, South Africa controls the strategic position of the Cape of Good Hope sea lane. The combined political, economic, and military interests of course count more than the "human rights" of more than 20 million blacks in South Africa.

From this it can be seen that the "human rights" specialists avoid the subject of "human rights" for no other reason than "gain" at the expense of "principle."

XINHUA VIEWS PLAYERS IN MIDDLE EAST PEACE EFFORT

OW231420 Beijing XINHUA in English 1142 GMT 23 Aug 85

["News Analysis: Damascus Role in Middle East Peace Process (by Hua Xiu)" -- XINHUA headline]

[Text] Cairo, August 23 (XINHUA) -- U.S. Assistant Secretary of State Richard Murphy has returned to Washington from his Middle East trip for a couple of days. But he left behind a question why he failed to meet a joint Jordan-Palestine delegation in Amman.

Most of people have attributed his failure to Israel's hardline and the sharp differences between the U.S. and the Jordan-Palestine side on a number of crucial problems, including the U.S. insistence on the PLO's public declaration of recognizing the U.N. Security Council Resolution No. 242 and the namelist of Palestinians proposed for a Middle East peace dialogue.

Despite different comments from various circles, Damascus press said Syria had acted a certain role in this regard. They Syrian official newspaper, AL THAWRAH, asserted editorially Wednesday Syria had deactivated the Casablanca summit and prevented Arab leaders from adopting the Jordan-Palestine accord. Blaming PLO Chairman Yasir 'Arafat for following what it called a "capitulationist line," the paper reminded the U.S. of the insignificant influence of the "capitulationists" and said that any U.S. agreement with the Jordan-Palestine delegation would be of no value and doomed to be thwarted. On the other hand, the paper underlined Syria's role by saying that it represents the strength-getting steadfastist front in the Arab world. All this indicated that Damascus would like to tell Washington of its weight in Middle East affairs.

It is worthy to note that Syria is said to have taken a new move related to the Middle East peace, which is believed to be aimed at preventing Murphy from meeting a joint Jordan-Palestine delegation. Although details of the move are not available, informed sources in Damascus revealed that Syria has arranged a visit to Moscow by George Habash, secretary general of the Syria-backed Popular Front for the Liberation of Palestine, at a time when Abu Iyad, a prominent leader of PLO, is visiting Moscow. The U.S. was reportedly informed by Syria of this new development which might be considered by Washington as a drive by Damascus to rally around as many as possible Palestinians to replace the 'Arafat-led PLO.

It seems that Damascus is trying to impress Washington: Any Middle East peace settlement must be arranged with the participation of Syria and Syria-backed Palestinians.

LIAOWANG ANALYZES PRESENT ECONOMIC SITUATION

HK280600 Beijing LIAOWANG in Chinese No 32, 12 Aug 85 pp 9-11

[Article by Yuan Mu: "An Initial Analysis of the Present Economic Situation"]

[Text] [Editor's note] At the second meeting of this journal's liaison personnel in July this year, Comrade Yuan Mu gave a report on how to understand the economic situation and economic reform. Beginning in this issue, this journal will publish excerpts from his report. [end editor's note]

What is the present economic situation in our country? Is it good or bad? The CPC Central Committee maintains that the present economic situation in our country is very good. This was also pointed out in Comrade Zhao Ziyang's "Government Work Report" delivered to the Third Session of the Sixth NPC. Our economic situation has been good not for just 1 year but for several consecutive years. At the very least we can say that this economic situation is one of the best since the founding of the PRC.

The main trend of the present economic situation is good. It can be summed up in three ways: First, we have created a new situation in the sustained, steady, and coordinated development of the national economy; second, our socialist economic construction is beginning to embark on a new road, with a practical developmental pace and good economic results that enable the people to gain more benefits; and third, thanks to the above two points, new prospects for a benign cycle of the national economy lie before us.

To explain these points, it is necessary to review the situation over the past few years so as to "compare the past with the present."

The 10 years of internal disorder of the "Great Cultural Revolution" caused a serious imbalance in China's major economic relationships and brought its economy to the brink of collapse. After the "gang of four" was smashed, the economic situation did not change for the better and the disproportion in economic relationships further deteriorated due to the influence of the "leftist" guiding principles the then principal party leaders advocated. Therefore, for 1 to 2 years after the 3d Plenary Session of the 11th CPC Central Committee, China's economy remained in a very difficult situation. In 1979 and 1980, a huge deficit appeared in state finances, and very serious, unstable factors existed in the whole of economic life. People could feel a serious latent crisis. Through several years of efforts, fundamental changes have taken place in many aspects of China's economy.

Let us look at agriculture: Several years ago, there was much difficulty in agriculture. The state had to use a huge sum of money from foreign exchange to import major agricultural products such as grain, cotton, and oil. The 3d Plenary Session of the 11th CPC Central Committee made a decision to expand the import of grain and other agricultural products, with the purpose of allowing the peasants to build up their strength. Undoubtedly this decision was completely correct. However, we should know that in such a situation the party had no choice but to make such a decision. As everyone is aware, after several years of efforts, great and profound changes have taken place in China's agricultural production. In 1984, the country's grain output amounted to 810 billion jin. The Sixth 5-Year Plan had set the grain output target at 720 billion jin by 1985, so the target was overfulfilled by 90 billion jin 1 year ahead of schedule.

Cotton output has increased at an even faster rate. Over the past years, the rate of increase has been at 20 to 30 percent. Last year cotton output amounted to 120 million dan. Not only grain and cotton production, but forestry, animal husbandry, fishery, and sideline production, as well as town and township industries are in the ascendant. China has a population of 1 billion, with 800 jin of grain and 10 jin of cotton per capita. On the basis of the present food mix and clothing situation of the Chinese people and taking China as a whole, we can say that the Chinese people have sufficient food and clothing with room to spare. We cannot deny that this is a great victory.

However, due to the disproportionate economic development, the peasants in some areas inhabited by tens of millions of people still live with difficulties, and many of them do not have sufficient food and clothing. We should be aware of this problem, which will require much time and effort to solve. Nevertheless, this problem does not inhibit us from making a correct appraisal of the situation.

In short, the sustained development of agricultural production by a large margin over the past years and the great changes taking place in a short span of years in agriculture, which is the foundation of the national economy, have provided very important bases for China's national economic and social development.

Let us look at industry. Before the 3rd Plenary Session of the 11th CPC Central Committee, the policy on economic construction stressed the necessity of correctly handling the relationships between agriculture, light industry, and heavy industry, as well as for drawing up a national economic plan for agriculture, light industry, and heavy industry. This policy was never put into effect. For a long time in the past, heavy industry was stressed to the neglect of light industry, and heavy industry could not cater to light industry and agriculture. This was a fundamental problem that remained unsolved for a long time in China's economic construction.

Over the past years, great changes have taken place due to the implementation of the principle of readjusting, restructuring, consolidating, and improving. Since the implementation of the Sixth 5-Year Plan in 1981, light industrial production has been developing at a rate of 10 percent. In the domestic market, a situation has emerged in which there is an ample supply of consumer goods and other materials. A change for the better in the supply of commodities is taking shape. In addition, due to the readjustment of the heavy industrial structure and its service orientation, heavy industry can now better serve the development of textile and other light industries as well as agriculture. Therefore, the relationships between light and heavy industries are becoming more coordinated.

Agriculture, light industry, and heavy industry now account for one-third each of the gross industrial and agricultural output value. The ratio between light and heavy industries is basically even, with heavy industry having a slight edge. Judging from the development of China's social productive forces, such a ratio is basically rational. This is another new situation that has been realized after years of efforts and which will produce an impact on the long-term and overall development of China's economy.

However, I would like to say something in addition to the above ratio. When we say that the ratio between agriculture, light industry, and heavy industry corresponds to the development of productive forces at present, we do not mean that this ratio is unalterable and will remain unchanged forever. Judging from the developmental trend, with the rapid progress of China's modernization, agricultural production will continue to increase by a large margin, but its proportion to industry could possibly drop.

Heavy industrial production will develop at a faster rate if the relationship between light and heavy industries remains as it is. In other words, the ratio between light and heavy industries will change a little with the development of the social productive forces, but the relationship between light and heavy industries should not be out of balance.

Let us look at the improvement in the standard of living of the urban and rural people. As Comrade Chen Yun said: First we want to eat, and second, we want to carry out construction. This is a very important principle. We should not pay attention only to construction to the neglect of the people's standard of living. Nor should we pay attention to improving the people's standard of living to the neglect of socialist economic construction. For a long time in the past, the accumulation rate was excessively high, so high that, in a sense, the improvement of the people's standard of living was sacrificed for construction, which was carried out on too large a scale. The people described this situation as "tightening the belt to carry out construction." This situation could not last long.

In the 20 years from the completion of the First 5-Year Plan to the convening of the 3rd Plenary Session of the 11th CPC Central Committee, China's accumulation accounted for some 30 percent of its national income. Some years it accounted for 36, 37, or even 40 percent. As a result, the scale of capital construction was too large and the scale of investment in fixed assets could not be put under control and exceeded the bearing capacity of the state. Therefore, the people's standard of living did not improve although economic development was sometimes fast. This is another fundamental problem that has remained unsettled for a long time. After several years of readjustment, the accumulation rate was reduced, but over the past 2 years it has risen a little due to the increase in economic strength.

According to a study by some comrades in charge of economic work and by comrades in economic theoretical circles, the proportion of China's accumulation to its national income should be maintained at less than 30 percent. This percentage is suited to China's present conditions. Naturally, in actual economic life and economic development, the accumulation rate will rise or drop with changes in the actual situation. This is normal. On the whole, economic readjustment and economic reform over the past years have gradually harmonized the relationship between accumulation and consumption. This is an important sign of the sustained, steady, and coordinated development of national economy. Since the fourth quarter of last year, and since last December, an excessive increase in both accumulation and consumption has been noticed. This is detrimental to economic development. I will deal with this problem later.

Our economic construction has gradually expanded along with the constant improvement in the people's standard of living, and production has developed along with an increase in consumption, which has become a motivating force promoting the growth of production. Thus, a new situation has emerged in China's economy in which construction is carried out in coordination with the improvement in the people's standard of living, and production is carried out in harmony with consumption. Because the relationships between construction and living standard and between accumulation and consumption have been properly handled, over the past 6 years, following the development of production, the per capita net income of the rural people has increased by 100 percent, and the consumption rate of the urban people has increased by 60 percent on average. The constant improvement in the standard of living of the urban and rural people over the past years is a first since the founding of the PRC.

Let us look at the increase in the state's financial and economic strength. As I said, China's revenue dropped and a huge deficit appeared for the 2 consecutive years of 1979 and 1980. Serious, unstable factors existed in economic life. In 1982, 1983, and 1984, state revenue steadily rose. Last year, state revenue increased by 12 percent, and a gratifying situation emerged in which the gross output value, the realized taxes and profits, and revenue increased simultaneously. Now annual state revenue plus the revenue of localities, departments, and enterprises not listed in the budget amount to 300 billion yuan, an almost 100 percent increase over 1980. This indicates that China's economic strength has markedly increased. During the Sixth 5-Year Plan period, the problem of food and clothing for the 1 billion people will be solved. On this basis, the people will continue to advance toward the target of being comfortably well-off beginning with the Seventh 5-Year Plan period.

Since the beginning of this year, the developmental trend of China's economy has been as good as that in previous years. Summer grain output this year is almost as high as that of last year, which was a good harvest year. The production of oil-bearing crops has continued to increase. In the first half of this year, the gross industrial output value increased by 23.1 percent over the same period of last year and revenue increased by 25.9 percent over the same period of last year. The gross output value, the realized taxes and profits, and revenue increased simultaneously. This proves that China's present economic situation is really very good.

In analyzing and understanding problems, we should make a distinction between the major and minor aspects, between the essential and non-essential, and between the whole and partial. This is all the more necessary when analyzing the situation. This is determined by the party's ideological line of seeking truth from facts and by the basic viewpoints of Marxism. New situations and new problems have emerged in our economic life. Under such circumstances, it seems that some comrades have failed to make a proper appraisal of the achievements we have made in construction over the past years through painstaking efforts and labor. They cannot properly evaluate the far-reaching significance of the fact that the guiding principle for China's economic construction is gradually embarking on the new and correct road. In regard to our work, we should not talk about only the good aspects and conceal the bad ones, nor vice versa. We should be practical and realistic. The great achievements in China's socialist economic construction have been made under the guidance of the party's correct line, principles, and policies, through the painstaking efforts of the Chinese people as well as arduous readjustment and reforms, and by overcoming various difficulties and obstacles. These achievements must be fully affirmed. This is imperative to bringing into full play the initiative of cadres and the masses, to strengthening our confidence in our advance, and to striving for new victories.

While affirming the major aspects of the present economic situation, it is necessary to point out the problems in our economic life. The present problems can be approached and analyzed in two aspects:

First, some of the problems left over from the past have been solved through economic readjustment and reforms, but some still remain unsolved. For example, the shortage of energy and communications means still remains unsolved. This has been a weak point in the national economy for a long time. Under the guidance of the correct policies of the CPC Central Committee, the staff and workers on the energy and communications fronts have made great efforts and achieved great successes. Over the past 2 years, energy production has increased by 8 percent annually. Transport capacity has also improved.

However, the shortage of energy and communications means has not been fundamentally solved. The production structure is another example. As I have said, the ratio between major economic relationships is becoming more rational. However, many aspects of the production structure and the product mix are still irrational. They are not suited to improving the people's level of consumption or to the changes in the consumption structure.

Several years ago, the ratio between major economic relationships was readjusted. However, it will take many years to further solve this problem. The scale of investment in fixed assets, particularly in fixed assets not listed in the budget, was too large at one stage. This was a long-standing problem in economic construction. When the "eight-character" principle of readjusting, restructuring, consolidating, and improving began to be implemented, the first requirement was to reduce the excessive scale of capital construction. Over the past years, the scale of investment in fixed assets listed in the budget has been basically under control, and investment has been made as planned.

However, the scale of investment in fixed assets not listed in the budget has been too large and out of control. This refers to localities, departments, and enterprises using their own funds for various construction projects. This is an old problem. Over the past years, through readjustment and reforms, the state has gradually enlivened enterprises and the economy. This has enabled localities, departments, and enterprises to accumulate and possess large funds.

In regard to the correct guidance for localities, departments, and enterprises in using their funds in line with the needs of economic development, we are still lacking the necessary system and methods in terms of macrocontrol. Therefore, a prominent problem is that the scale of investment in fixed assets not listed in the budget is excessively large and out of control. It is necessary to sum up historical experiences and lessons in order to control the scale of social production and construction in such a way that it is suited to the economic strength of the state, as well as to realize a comprehensive economic balance and the rationalization of the ratio between major economic relationships. Otherwise it will be very difficult to maintain the sustained and steady development of the national economy.

Economic structural reform is an overwhelming task. The successful completion of this reform will have a decision bearing on the long-term development of China's economy. This is a matter of fundamental concern to the Chinese people. It is particularly necessary to provide a relaxed and stable economic environment for this reform. Therefore, at no time should we go in for full-scale reconstruction by undertaking all the neglected tasks; nor should we blindly seek an increase in the rate and scale of construction in order to prevent the emergence of disproportionate economic relationships. Otherwise it will be very difficult to successfully carry out and healthily develop economic structural reform. The above problems are long-standing problems that have not been fundamentally solved. In addition, technological reform in enterprises has not brought about ideal results, progress in production technology is very slow, the quality of products has not markedly improved, and the economic results of enterprises and society as a whole are still bad. The settlement of all this requires long-term efforts.

Second, since the fourth quarter of last year, since last December in particular, new problems have emerged. These problems are as follows:

There is no strict control over the use of consumption funds; too much money has been issued; and some localities, departments, and enterprises have been competing for in regard to growth rate and blindly seeking a high growth rate regardless of their actual conditions, thus bringing about an excessive expansion of all social needs, which exceeds the supply capacity of society. Furthermore, new unhealthy trends have emerged rapidly and violently, which includes some party and government organs and cadres running business and enterprises, abusing their power for personal gain, and reselling at a profit materials in short supply; some people running fly-by-night companies and carrying out speculation; and some state-run industrial and commercial enterprises issuing bonuses and materials at will and exacting prices arbitrarily. All this has added to the shortages in energy, communications means, and raw materials, caused a drop in foreign exchange reserve, raised the prices of some commodities, and brought about new, unstable factors in our economic life. These problems must not in the least be overlooked. If they are allowed to develop unchecked, they will not only cause serious economic losses, but also have a bad political influence. In particular, price rises have a direct bearing on the interests of the people. We cannot but pay full attention to this.

In short, the major aspects of China's present economic situation are very good, whereas problems existing in our progress are minor aspects. Only by fully understanding that the major aspects of the situation are very good can we be fully confident of victory and can we continue to go forward. We must never treat the problems in our progress lightly. We should not indulge in empty talk but should do more actual work. We should lose no time in solving problems that seem to be side issues at present. In this way we will be able to consolidate and develop victory. Otherwise it will be impossible for us to thoroughly overcome setbacks and danger. The CPC Central Committee and the State Council discovered in good time the problems in our economic life. They have taken and are still now taking a series of measures to tackle these problems. Under these circumstances, it is all the more necessary for us to have unanimity of understanding, to work with one heart and one mind, to have full confidence, and to resolutely implement the policies and measures of the CPC Central Committee and the State Council for solving the problems in our economic life, and to strive to consolidate and develop the good situation!

COMMENTARY ASSESSES ECONOMIC REFORM, OPENING UP

HK281346 Shanghai SHIJIE JINGJI DAobao in Chinese 12 Aug 85 p 1, 2

[Commentary: "Reform as Viewed From the Juncture of the Sixth and Seventh 5-Year Plans"]

[Text] The first year of the all-round structural reform is already half over. The trend of reform and opening up that are being carried out in many fields has not only time and again struck the rigid pattern of product economy but also caused a collapse from the bottom of the "superstable structure" of the feudal natural economy of thousands of years standing. The thesis that "reform is a second revolution" has been understood by an increasingly larger number of people and people's understanding of the reform is deepening.

We are now at the juncture of the Sixth and Seventh 5-Year Plans. During the next 5 years, we should not only preserve the achievements of the reform in the past, but should also deepen the development of the reform, improve its quality, and stress coordinating various reform measures, forming them into complete sets, and pay attention to all-round economic results.

Reform Will Deepen in the Period of the Seventh 5-Year Plan

The year 1985 is China's first year of the all-round development of the economic structural reform as well as the last year of the Sixth 5-Year Plan. We are now at the juncture of Sixth and Seventh 5-Year Plans. All who are concerned about the development of the situation have noticed that during the short period of over 6 months, a series of changes has already taken place that will yield a far-reaching impact in the future.

In the economic sphere, we have further implemented the decision on streamlining our administration, decentralizing power and enlivening our enterprises, and have taken steps to conduct the price reform that is of vital importance, and are beginning to carrying out a wage reform. As far back as at the beginning of this year, we opened the Chang Jiang and Zhu Jiang deltas and the Min Jiang delta area and designated them as open coastal economic zones. Correspondingly, in the first half of this year we also respectively began the reform in our scientific technological, and education fields and in our military system....

Undoubtedly, the trends of the all-round development of the reform and the work of opening up that are being carried out in many fields have not only time and again struck the rigid pattern of product economy that has been formed over many years, but also caused a collapse from the bottom of the "superstable structure" of the feudal natural economy of thousands of years standing. The thesis that "reform is a second revolution" has been realized by an increasingly large number of people. The people's understanding of the differences and similarities in urban and rural reforms, the law governing the all-round structural reform, and the policies related to our construction, reform, and opening up is deepening.

No major historic reform reveals all its significance immediately when it is carried out, but judging by the current situation, there are already some good signs. Our statistics show that there was sound development in our urban and rural economy in the first 6 months of this year, financial revenues increased and the market was clearly enlivened. The reaction to the change in the economic base in the superstructure has intensified day by day. In that period, problems such as the excessive rate of economic growth have also cropped up but most of these problems have already been or are being corrected. However, due to "inertia," it is inadvisable to adopt the method of "slamming on the brakes." The situation, taken as a whole, is better than expected. The capacity of endurance of the whole society has been augmented. All this has provided greater room for maneuvering in development in the period of the Seventh 5-Year Plan.

Of course, the work of China's reform and opening up is, after all, not as easy as walking idly along Changan Street, but is an exploration of unknown waters and a tremendous historical experiment. In the period of the Seventh 5-Year Plan, new problems and twists or even risks will unavoidably emerge. However, the Chinese people had never "made a forecast" that it would be smooth sailing before they started the reform and opening up. We started the reform and opening up because the old path failed and because we drew on both positive and negative lessons from Chinese and foreign history. We are mentally prepared for the difficulties and risks in the reform. Different from experiments in natural sciences, historical movements and social "experiments" cannot be repeated and mistakes in major policy decisions will lead to losses that are hard to recoup.

Therefore, our sense of historical responsibility requires that we adopt a modest attitude toward and very prudently study and handle the various problems that have cropped up in our reform and opening up. Certainly, prudence does not mean that we should "retrogress in" or "suspend" our reform, but is practiced in order to forge ahead more satisfactorily. This is identical to the orientation of persisting in the reform and opening up. China's choice of the path of reform is an outcome of mature consideration by the entire nation; therefore China is firm and unwavering in adhering to this choice and no setbacks or obstacles can shake our confidence.

"Every time we look at the raging tide of progress, we are impressed by its endless movement." Our fundamental starting point is to develop, through the reform and opening up, our social productive forces as soon as possible, make our people rich and our country prosperous, realize the four modernizations in an all-round manner, and seize the position due China in the worldwide competition.

In this process of the advance of history, in the period of the Seventh 5-Year Plan we should, on the one hand, carry on the work of reform and opening up that we have been doing for the preceding 7 years, and, on the other hand, we have to make preparations for fulfilling the task of quadrupling at the end of the 1990's and lay a sound foundation for the takeoff in the future.

Therefore, this period is a vital period in which we shoulder heavy responsibilities. If we say that the success in implementing the Sixth 5-Year Plan was achieved in the process of reform and opening up, then, in the period of the Seventh 5-Year Plan, we should pursue this policy on a higher plane. What is most important is that we should look for a full set of mechanisms and means to organically and ingeniously combine planning with regulation by the market mechanism and the enlivening of the microeconomy with control of the macroeconomy.

The most difficult problem in this reform is that there is no ready-made solution to our problems and we have to find the solution to our problems through continuous exploration. Therefore, during the coming 5 years, we should not only consolidate the achievements of the reform in the past, but should also strive to deepen the development of the reform, improve its quality, and stress the coordination and overall economic results of the various reform measures.

We should realize that at present and in the period of the Seventh 5-Year Plan, there are and will be extremely satisfactory opportunities and general domestic and foreign conditions for the reform and opening up; therefore, it is not wise to have any doubts or delays. Moreover, China's reform and opening up are not only provided with external conditions but are also creating conditions for themselves. The achievements of the reform in the period of the Sixth 5-Year Plan have created conditions for the further development of the reform in the period of the Seventh 5-Year Plan.

How many people could foresee the great vitality of the buds of rural reform in the late 1970's when they began to emerge on China's vast land? Now, the curtain has already been raised for the reform of the whole economic structure with the focus on urban reform and the Seventh 5-Year Plan can be regarded as the beginning of the principal performance. Clearly, we should not underestimate the extent to which this reform will change China's features.

RENMIN RIBAO ARTICLE VIEWS REFORMING WORK METHODS

HK271602 Beijing RENMIN RIBAO in Chinese 16 Aug 85 p 5

[Article by Gao Zhanxiang: "Humble Opinions on Reforming Work Methods" -- originally carried in NONGCUN GONGZUO TONGXIN [RURAL WORK NEWS REPORTS MAGAZINE] and slightly abridged by the author]

[Excerpts] We are now living in a period of major changes. The new period and the new tasks require us to establish new ideas and adopt new work methods.

For a long time in the past, in the process of our revolution and construction, our party has accumulated rich work experience and has created many effective work methods. All this is our valuable wealth in our cause of the four modernizations. However, some of our conventional work methods are no longer suited to the needs of the new times. If we continue to maintain these work methods, we will obstruct the development of social reforms and the four modernizations. Therefore, we should concretely analyze our previous work experience so as to carry forward the work methods useful to the modernization process and abandon and reform those not suited to the modernization process. This should be regarded as a principle for the reform of our work methods.

What work methods should be reformed? Here, I would like to give three examples and make some tentative analyses.

The Work Method of "Putting the Cart Before the Horse"

What does the phrase "putting the cart before the horse" mean? According to the explanation in the book "Origin of Words and Phrases," it means "taking belated and ineffective actions." In our leadership work today, being dilatory and inefficient is a common phenomenon. We should complete the arrangement of the work for the whole year at the beginning of the year. However, by the time work plans and tasks are relayed to the grass-roots units, nearly half a year has passed. When some good proposals are put forward, they are discussed and considered again and again, and the discussions consideration waste valuable time. When proposals are finally accepted and final decisions are made, the situation has changed completely with the passage of time. Is this not a typical example of "taking belated and ineffective actions"? The dilatory style of work among some of our leading comrades has seriously upset the work of their subordinate units. Is this not the case?

The Work Method "Taking Others' Job Into One's Own Hands"

Some leaders sometimes directly assign work tasks to grass-roots units by bypassing the lower-level leading organs, or simply take the job of their subordinates into their own hands. This work method was sometimes praised as "thorough" and "down-to-earth." Now we can see that there are many drawbacks in this unscientific work method.

Since the 3d Plenary Session of the 11th CPC Central Committee, the party's work has been focused on socialist economic modernization, and our work has become more arduous than ever before. We will face more complex conditions. The economic and political conditions and people's thoughts vary greatly from one area to another. It is impossible for the higher authorities to deal with everything in every place. If they try to do so, they will certainly impose arbitrary uniformity on all places and give impracticable directions and mess things up.

The Work Method of "Making Reckless Decisions"

A leader should decide a lot of things. So he should be courageous in making resolute decisions and bear responsibilities on the basis of having a thorough knowledge of the things he is to handle. If he is always hesitant and often fears to run risks, he would not be able to create a new situation in his work.

However, no one should draw a conclusion and make a decision on important matters in haste before grasping all the necessary information. Ancient people drew lessons from some events and said that "sometimes, a single wrong statement can bring disaster to the nation." In a certain sense, this reflects the vital importance of a leader's decision-making functions.

In our work, we often see some leaders tend to make a reckless decision by "patting their own back" when they are dealing with something important. The seriousness of such a work method of making a reckless decision by "patting one's own back" lies in the fact that the decisionmaker has not made a thorough investigation and obtained all the necessary information before he makes a decision and his decision is just based on his wishful thinking or outdated experience.

Now, the world's science and technology are developing rapidly, and the conditions in all fields are also changing rapidly. As a leader in the cause of modernization, he must be able to handle his work efficiently and must also be able to make correct decisions. Our cadres should adapt their work style to the new conditions and should also have a good knowledge of all things within the scope of their work. Only thus can they have a good command of the regularity of the development of the objective things and make realistic and correct decisions.

AUDITOR GENERAL LU PEIJIAN INTERVIEWED ON FRAUD

HK280349 Beijing CHINA DAILY in English 28 Aug 85 p 1

[By Staff Reporter Zhu Ling]

[Text] Fraud, waste and tax evasion, valued at more than 4.6 billion yuan (about \$1.6 billion) have been uncovered by the China Audit Administration since it started work two years ago. The administration, at the ministry level, stepped up its efforts to further improve the nation's accounting practices after Lu Peijian took office as auditor general in late March. Lu told CHINA DAILY yesterday that his office had checked the accounts of more than 24,000 units and enterprises across the country and discovered numerous accounting errors, fraud and serious violations of financial and economic laws. "The administration has also examined State enterprises' working practices in an effort to reduce costs and waste," he said.

The China Audit Administration was added to the State Council during the first session of the Sixth National People's Congress in June 1983 in order to improve the supervision of the economy and accelerate the four modernizations. The office opened in September 1983. Lu, 56, who was formerly president of the People's Bank of China, said that the audit administration has done much to encourage financial discipline. But he said that lack of controls over financial management still poses problems for the country's economy.

"The question of control has become even more poignant at a time when China's urban economic reforms are in full swing. We must gear up to increase supervision of the national economy so that the reforms can advance smoothly," he said.

Lu cited a case of fraud in Wenshui County of Shanxi Province. The county reported a deficit of 940,000 yuan in 1983. But a check by the auditors from the administration's branch office in Shanxi revealed that the county was "juggling the figures" to hide a surplus of 350,000 yuan. About 740,000 yuan has been recovered so far.

In his new capacity as auditing chief, Lu Peijian said he has high hopes of enforcing the State's financial and tax laws. In turn, this will help ensure economic success of enterprises and subsequently increase State revenues. He plans to start by concentrating the administration's efforts on dealing with fraud and the exploitation of loopholes in the law during the current urban economic reforms.

By the end of June, the administration had established 2,992 auditing bureaus above the county level, 98 per cent of the planned total. The offices have a staff of 26,000. Their work covers government departments, and State-owned enterprises and institutions at all levels. "But many of our auditors lack professional knowledge and training, and we have about two million units and enterprises across the country to audit," Lu said.

Within the next three years, Lu said, another 20,000 auditors, with skills in accounting and economic management, and a good knowledge of the law, will be recruited by the administration. Auditors already working in the administration will get rapid rotation training in special programmes, he said. The office has already sponsored more than 400 crash courses to train an estimated 15,000 auditors over the past two years.

Lu Peijian said that laws on auditing should be formulated to govern the country's auditing performance. He revealed that the State Council soon will issue a series of regulations spelling out more clearly the tasks and responsibilities of the country's audit offices. The auditor general said the administration is stepping up its exchange with foreign countries aimed at drawing on their experiences.

The auditor generals of both Britain and Spain are expected to visit China soon to compare notes with the China Audit Administration, he said. "Auditing accounts is a new job for the country" said Lu. "We are discovering how to develop a system that best suits our country and so safeguard the country's economic construction and help units and enterprises to achieve good economic results."

LILUN YUEKAN ON DENG XIAOPING'S APPRAISAL OF MAO

HK261038 Beijing LILUN YUEKAN in Chinese No 7, 25 Jul 85 pp 26-31

[Article by Li Zhiping: "Deng Xiaoping's Outstanding Contributions to the Scientific Confirmation of Mao Zedong's Historical Position and the Guiding Role of Mao Zedong Thought"]

[Text] The scientific affirmation of Comrade Mao Zedong's historical position and the guiding role of Mao Zedong Thought is a basic question that has a bearing on the whole situation of China's socialist cause and the crucial question of bringing order out of chaos and realizing the great historical change after the smashing of the Jiang Qing counterrevolutionary clique.

Comrade Deng Xiaoping successively published a series of important speeches and writings between May 1977 and June 1981, in particular when the CPC Central Committee was drafting and drawing up the "Resolution on Certain Questions in the History of Our Party Since the Founding of the People's Republic of China," he made important speeches on nine occasions, regarding the defense and scientific affirmation of Comrade Mao Zedong's historical position and the guiding role of Mao Zedong Thought as the central idea of the resolution and "the most important, the most fundamental, and the most crucial" question, while providing a scientific demonstration and correct answer to it.

The drawing up of the resolution signaled a successful solution to this important question. This has fully explained that, at the crucial moment of historical change, Comrade Deng Xiaoping ensured political soundness, determined the direction, charted the course, and played the role of making a strategic decision on a question of vital importance that has a bearing on the future and fate of the party and state; thus he has made outstanding contributions.

Scientifically Appraising Comrade Mao Zedong's Merits and Demerits in Historical Perspective, Safeguarding and Affirming Comrade Mao Zedong's Historical Position Scientifically.

After the smashing of the "gang of four," in particular after the 3d Plenary Session of the 11th CPC Central Committee, the Central Committee and Comrade Deng Xiaoping have adhered to the scientific attitude of dialectical materialism and historical materialism. They have fully affirmed Comrade Mao Zedong's great achievements, while seriously pointing out his grave mistakes in his later years; at the same time, they made an all-round analysis of the social and historical causes of his mistakes, thus scientifically defending and affirming Comrade Mao Zedong's historical role.

First, Comrade Deng Xiaoping has explicitly pointed out the utter importance of the correct appraisal of the merits and demerits of Comrade Mao Zedong and affirming Comrade Mao Zedong's historical position.

On the question of how to correctly appraise the merits and demerits of Comrade Mao Zedong and whether it was necessary to defend and affirm Comrade Mao Zedong's historical position, no unanimous understanding inside or outside the party had been reached for some time. On the one hand, the "leftist" erroneous tendencies represented by Comrade Hua Guofeng, who was responsible for the work of the Central Committee at that time, not only evaded the mistakes Comrade Mao Zedong committed in his later years, but proposed and insisted on the erroneous principle of the "two whatevers," resisting bringing order out of chaos; in essence, they attempted to insist on keeping the mistakes Comrade Mao Zedong committed in his later years intact. They regarded the party's bringing order out of chaos in its guiding ideas as "throwing away the knives," and "cutting down the banner." Some people abroad also regarded our correcting the mistakes of Comrade Mao Zedong in his later years as going in for the so-called "non-Maoism." On the other hand, when the party was beginning to correct the mistakes of the "Great Cultural Revolution" and the "leftist" errors prior to 1966, erroneous tendencies emerged among some comrades; they began to doubt and negate Comrade Mao Zedong's historical position and the scientific value of Mao Zedong Thought, and were unwilling to acknowledge the due historical position of Comrade Mao Zedong. Under such circumstances, correctly appraising Comrade Mao Zedong's historical position and the guiding role of Mao Zedong Thought became solemn political tasks before the whole party and people of the whole nation.

In order to correctly solve this utterly important question, Comrade Deng Xiaoping not only made a fair appraisal and scientific conclusion on the merits and demerits of Comrade Mao Zedong and his historical position in a series of important works, but also advocated that it was necessary to adopt the solemn form of a party Central Committee resolution by drawing up the "Resolution on Certain Questions in the History of Our Party Since the Founding of the People's Republic of China," with the same role as the "Resolution on Certain Historical Questions in the History of Our Party" adopted by the Seventh Plenary Session of the Sixth CPC Central Committee in 1945, "in order to unify the thinking of the whole party and people on the basis of the basic conclusion of the Central Committee resolution." (See "Selected Works of Deng Xiaoping" pp 269-270; hereafter, page numbers only will be given for quotations from the same book)

He pointed out explicitly: "The appraisal of Comrade Mao Zedong and the exposition of Mao Zedong Thought relate not only to Comrade Mao personally, but also to the entire history of our party and our country. We must keep this overall judgment in mind." (p 263) "It's not merely a theoretical question that is involved but also and especially a political question of great domestic and international significance. If we do not have this section, or if it is badly written, it would be better to have no resolution at all." (p 263) Regarding the historical experiences of the international movement, the appraisal of the merits and demerits of the life of a proletarian revolutionary leader when he has passed away has really been a very solemn and very sensitive political issue. The handling of this issue has a bearing on the course and orientation of development of the revolutionary cause, and will affect the success or failure and rise or fall of the revolutionary cause. Because of the correct analysis and appraisal of the accomplishments and mistakes of Comrade Mao Zedong and his historical position on the part of the Central Committee, with Comrade Deng Xiaoping as its representative, the thinking of the entire party and people have been greatly unified, which has promoted the further consolidation of the political situation of stability and unity and the development of the modernizations.

Second, Comrade Deng Xiaoping has explicitly proposed the principle and approach of appraisal, based on which, the correct and fair appraisal of Comrade Mao Zedong has been made, thus safeguarding and affirming the historical role of Comrade Mao Zedong.

Comrade Deng Xiaoping has pointed out: "In evaluating public figures and history, we hold that one should look at things scientifically from all sides and guard against being one-sided or swayed by emotions." (p 208) "As thoroughgoing materialists, we Communists cannot but accept what should be accepted and reject what should be rejected, basing our judgment strictly on facts. Comrade Mao rendered immortal service to our party, our country, and our people throughout his life. His contributions are primary and his mistakes secondary. But to avoid mentioning his mistakes because of his contributions would not be a materialist approach. Neither is it a materialist approach to deny his contributions because of his mistakes. (pp 293-294) It is known that in the course of leading China's democratic revolution, socialist revolution, and socialist construction, Comrade Mao Zedong made universally known outstanding contributions. He was one of the major founders of the CPC and the PRC. "It is no exaggeration to say that were it not for Chairman Mao there would be no New China." (p 138) "What we have achieved cannot be separated from the leadership of the Chinese Communist Party and Comrade Mao Zedong." (p 263) In particular, Comrade Mao Zedong linked the universal tenets of Marxism-Leninism with the concrete practice of the Chinese revolution, and initiated our party's scientific theoretical basis -- Mao Zedong Thought in the collective struggles of the party and people. This outstanding contribution to Marxist theory is not to be written off. Despite the fact that in his later years he committed such grave "leftist" errors as the "Great Cultural Revolution," which brought great misfortunes to the party and people, we should make an overall analysis of his whole history and entire work. "In our appraisal of Comrade Mao Zedong, we should regard his contributions as primary and his mistakes as secondary. This is in accord with the facts, and it cannot be doubted or denied." (p 325)

Based on the correct appraisal of the merits and demerits of Comrade Mao Zedong, Comrade Deng Xiaoping has safeguarded and affirmed Comrade Mao Zedong's historical position with a clearcut stand. He has repeatedly stressed: It is imperative to defend "the eminence of Comrade Mao Zedong as a great figure in the history of the Chinese revolution and of world revolution." (p 151) "We must guide and educate party members, Army officers and men, and the people of all China's nationalities and help them to see the great services of Comrade Mao Zedong scientifically and in historical perspective." (p 139) He has, on many occasions, explicitly pointed out: "In our hearts, we Chinese will always cherish him as a founder of our party and our state." These wise judgments represent the basic interests of the party and the people and have made important contributions to defending and affirming Comrade Mao Zedong's historical position.

Third, Comrade Deng Xiaoping has explicitly stressed that we should not evade Comrade Mao's shortcomings and errors, which should be criticized in a balanced and truth-seeking way.

Comrade Deng Xiaoping has defended Mao's historical position, but not his mistakes. Starting from the basic stand of historical materialism, he has repeatedly propagated the correct view that "leaders should be regarded as human beings, not demigods." (p 151) He waged tit-for-tat struggle against the "two whatevers" who had evaded and even continued to insist on Mao's mistakes of his later years. He pointed out: "Of course, Comrade Mao was not infallible or free from shortcomings. To demand that of any revolutionary leader would be inconsistent with Marxism." (p 139) "We must explicitly criticize all mistakes, including those of Comrade Mao Zedong." "In the twilight of his life, particularly during the 'Cultural Revolution,' he made mistakes -- and they were not minor ones -- which brought many misfortunes upon our party, our state, and our people." (p 304) However, we should neither turn a blind eye to Mao's mistakes in his later years nor exaggerate them. Therefore, Comrade Deng has repeatedly admonished to whole party: "When we write about his mistakes, we should not exaggerate." (p 266) "The assessment of Comrade Mao Zedong should be balanced." (p 273) "To exaggerate, under the sway of emotion, Comrade Mao's mistakes can only mar the image of our party and country, impair the prestige of the party and the socialist system, and undermine the unity of the party, the Army, and our people of all nationalities." (p 325) While solemnly criticizing Comrade Mao's mistakes in his later years, Comrade Deng Xiaoping has scientifically defended Comrade Mao's historical position.

Fourth, Comrade Deng Xiaoping has explicitly pointed out that Chairman Mao's mistakes in his later years were "political mistakes." "We should draw a line between Chairman Mao's mistakes and the crimes of Lin Biao and the 'gang of four.'" (p 305)

Comrade Deng Xiaoping held that although Comrade Mao Zedong had committed grave mistakes in his later years, which had been used by the Lin Biao and Jiang Qing counter-revolutionary cliques, "we must make a clear distinction between the nature of Chairman Mao's mistakes and the crimes of Lin Biao and the 'gang of four.'" (p 303) In the twilight of his life, Comrade Mao Zedong exaggerated the seamy side of party and state life and mistakenly initiated the "Great Cultural Revolution," which brought great misfortunes to the party, the state, and the people, which he had not expected. It was a different case with Lin Biao and the "gang of four." They attempted to usurp the supreme power of the party and the state and to overthrow the people's democratic dictatorship and the socialist system. Comrade Deng Xiaoping explicitly pointed out: "Although Comrade Mao Zedong made mistakes, after all they are the mistakes of a great revolutionary, a great Marxist." (p 271) Thus, a demarcation line was drawn between the mistakes committed by Comrade Mao and the crimes of Lin Biao and the "gang of four," which has indicated a direction for correctly understanding the nature of the mistakes of Comrade Mao Zedong, while powerfully defending Comrade Mao's historical position.

And fifth, Comrade Deng Xiaoping has repeatedly pointed out that it was not just to affix the responsibility of an individual in dealing with Mao's mistakes, but to analyze the causes of the mistakes in earnest, in order to draw necessary lessons.

On the issue of evaluating leaders of the international communist movement within our party, an erroneous trend of onesidedness and absolutes existed in the past. When an individual was said to be correct he was 100 percent correct, and when an individual was said to be wrong, everything was wrong with him. When a person was said to be correct, all merit went to him; but when a person was said to be wrong, he was to bear all the blame. Comrade Deng Xiaoping resolutely opposed such practices.

He said: "When we talk about mistakes, we should not speak only of Comrade Mao, for many other leading comrades in the Central Committee made mistakes, too." Of course, on many questions, Comrade Mao Zedong should bear the chief responsibility. However, "when the Central Committee makes mistakes, it is the collective rather than a particular individual that bears the responsibility." "We must be fair on these questions and not give the impression that only one individual made mistakes while everybody else was correct, because that does not tally with the facts." (p 260) Comrade Deng Xiaoping's judgment has not only given expression to the pure party spirit and noble moral sentiment of the communist, but at the same time it would be favorable to seriously summing up experiences, if we put ourselves in the situation, too.

While summing up the party's historical experiences during the Yanan rectification campaign, Comrade Mao Zedong pointed out: "In dealing with questions of party history we should stress not the responsibility of certain individual comrades but the analysis of the circumstances in which the errors were committed, on the content of the errors, and on their social, historical, and ideological roots." ("Selected Works of Mao Zedong" Vol 3 p 892) Comrade Deng Xiaoping has precisely persisted in this principle. He said: "It is true that the errors we made in the past were partly attributable to the way of thinking and style of work of some leaders. But they were even more attributable to problems in organizational and work systems. If these systems are sound, they can place restraints on the actions of bad people; if they are unsound, they may hamper the efforts of good people or, indeed, in certain cases, may push in the wrong direction. Even as great a man as Comrade Mao Zedong was influenced to a serious degree by certain unsound systems and institutions that resulted in grave misfortunes for the party, the state and himself." (p 293) The facts were exactly thus. Because China had a history of more than several thousand years of feudalism, the pernicious influences of feudalism could not be eliminated quickly; moreover, we had neglected the building of socialist democracy and the socialist legal system after the founding of the PRC, which resulted in the overconcentration of party and state power in the individual and provided the objective conditions for the growth of the autocracy of the individual and the personality cult, so that the party had failed to stop Comrade Mao Zedong from initiating the "Great Cultural Revolution." This lesson has been utterly profound. Comrade Deng Xiaoping's scientific analysis of the responsibility and causes of Comrade Mao's errors not only clarified some misunderstandings and enabled us to make our evaluation of Comrade Mao Zedong all the more balanced, but was all the more favorable to defending and affirming Comrade Mao's historical position. At the same time, it is helpful to our party to draw a lesson from past experiences, to reform all irrational systems and institutions, and to accelerate our socialist modernization.

Resolutely Defend the Scientific System of Mao Zedong Thought, Scientifically Confirm the Guiding Role of Mao Zedong Thought, Adhere to and Develop Mao Zedong Thought

How to evaluate Mao Zedong Thought and whether it is necessary to confirm the guiding role of Mao Zedong Thought have been other important issues of concern throughout the party and the nation after the smashing of the "gang of four," in particular since the 3d Plenary Session of the 11th CPC Central Committee. The Central Committee and Comrade Deng Xiaoping have resolutely defended the scientific system of Mao Zedong Thought, held aloft the banner of Mao Zedong Thought, and scientifically confirmed the guiding role of Mao Zedong Thought, thus ensuring China's socialist cause would advance continuously on the scientific track of Marxism-Leninism and Mao Zedong Thought.

First, Comrade Deng Xiaoping explicitly proposed that it is necessary to hold aloft the banner of Mao Zedong Thought and to confirm the guiding role of Mao Zedong Thought.

Because Comrade Mao committed "leftist" errors in his later years, in particular, because Lin Biao and the "gang of four" distorted, cut up, and falsified Mao Zedong Thought under the pretext of "holding it aloft," the party's guiding ideology was for a time confused, and the reputation of Mao Zedong Thought was seriously ruined. After the smashing of the "gang of four," Comrade Hua Guofeng, who was in charge of the work of the Central Committee at that time, proposed and insisted on the "two whatevers." Therefore, when our party repudiated the "two whatevers" in depth, and corrected the "leftist" errors of Comrade Mao in his later years, some comrades confused Comrade Mao's errors in his later years with what had been distorted, falsified, and counterfeited by Lin Biao and the "gang of four," and jumbled them up with Mao Zedong Thought. They doubted the scientific value of Mao Zedong Thought and negated its guiding role.

Facing this situation, Comrade Deng Xiaoping, standing high and seeing far, explicitly pointed out: "Mao Zedong Thought has nurtured our whole generation...Without Mao Zedong Thought, the Communist Party of China would not exist today, and that is no exaggeration either. Mao Zedong Thought will forever remain the greatest intellectual treasure of our party, our Army, and our people." (pp 138-139) In the course of drafting the "Resolution on Certain Questions in the History of Our Party Since the Founding of the People's Republic of China," he repeatedly stressed: "The most essential, the most fundamental point in the resolution is that we must adhere to and develop Mao Zedong Thought. People inside and outside the party and at home and abroad all expect us to expound and elucidate this issue and make some relevant generalizations." (p. 260) "It would be a grave historical mistake not to expound Mao Zedong Thought in the resolution or to cease to adhere to it." (p 264) In many of his speeches and writings, he has repeatedly stressed the tremendous guiding significance of Mao Zedong Thought to the Chinese revolution and construction.

He pointed out: "The scientific tenets of Mao Zedong Thought, which have been tested and proved correctd through long years of practice, not only guided us to victory in the past but will remain our guiding ideology in the years of struggle ahead. It is incorrect and against the fundamental interests of the Chinese people to have any doubts or to waver to any degree on this important principle of our party." (p 294) "Mao Zedong Thought has been the banner of China's socialist cause and of the antihegemonist cause. In our march forward we will always hold the banner of Mao Zedong Thought high." (pp 158 - 159) He also insisted on making Mao Zedong Thought one of the four basic principles to be followed in our socialist cause, which was later written into the party Constitution and the PRC Constitution, and has become the basic principle of building our party and country.

Second, Comrade Deng Xiaoping has resolutely defended the scientific system of Mao Zedong Thought and stressed that it is necessary to accurately master and apply Mao Zedong Thought as an integral whole.

As is known to all, dating back to the time when Lin Biao and his ilk went in for pragmatism in a big way by means of picking up fragments from Mao Zedong Thought under the pretext of learning quotations from Chairman Mao, "Comrade Deng Xiaoping resolutely opposed their practice of vulgarizing Mao Zedong Thought. After the smashing of the "gang of four," aiming at the erroneous tendencies of the "two whatevers" represented by Comrade Hua Guofeng, he proposed in a clear-cut manner: "We should use genuine Mao Zedong Thought taken as an integral whole in guiding our party, our Army, and our people." He repeatedly stressed: "Mao Zedong Thought is an ideological system." "When we say we should hold high the banner of Mao Zedong Thought, we mean precisely that we should study and apply Mao Zedong Thought as an ideological system." (p36) "Only in this way can we be sure that we are not fragmenting Mao Zedong Thought, distorting or debasing it." (p 39) This scientific guiding principle has become a powerful ideological weapon in the party's new historical period in fulfilling bringing order out of chaos in the party's guiding ideology and the great historical change.

Comrade Deng Xiaoping also said: "Mao Zedong Thought should be differentiated from Comrade Mao's mistakes in his later years so that there is no confusion." (p 325) "What we consistently take as our guide to action are the basic tenets of Marxism-Leninism and Mao Zedong Thought, or, to put it another way, the scientific system formed by these tenets. When it comes to individual theses, neither Marx and Lenin nor Comrade Mao could be immune from misjudgments of one sort or another. But these do not belong to the scientific system formed by the basic tenets of Marxism-Leninism and Mao Zedong Thought." (pp 157-158) Such differentiation has given expression to the fact that Mao Zedong Thought is not just the personal "system of concepts and doctrines" of Comrade Mao Zedong himself, but the crystallization of the collective wisdom of the CPC. The more important point is that it has fundamentally defended the purity of Mao Zedong Thought and cleared away all ideological obstructions in fulfilling the bringing of order out of chaos in the party's guiding ideology and, at the same time, affirmed the guiding role of Mao Zedong Thought, and laid a scientific basis for adhering to and developing Mao Zedong Thought.

Third, Comrade Deng Xiaoping has made a new generalization of the scientific system of Mao Zedong Thought and has expounded the scientific tenets of Mao Zedong Thought profoundly in an all-round way.

In view of the distortion and falsifying of Mao Zedong Thought by Lin Biao and the "gang of four" and the fact that our party had not made a complete and scientific generalization of the basic essence of Mao Zedong Thought, Comrade Deng Xiaoping, in the course of drafting the "Resolution on Certain Questions in the History of Our Party Since the Founding of the People's Republic of China," repeatedly stressed that it was necessary to make a new generalization of the scientific system of Mao Zedong Thought. He said "As we intend to give a correct evaluation of Mao Zedong Thought and scientifically establish its guiding role, we have to expound its main contents in general terms, especially those elements that we shall continue to implement in the future." (p 256) "We must give people a clear understanding of what specific ideas we have in mind when we say we will hold high the banner of Mao Zedong Thought and adhere to Mao Zedong Thought." (p 261)

Comrade Deng Xiaoping has made outstanding contributions to the generalization of the essence of the scientific system of Mao Zedong Thought as well. He has explicitly pointed out: "Mao Zedong Thought is the application and development of Marxism-Leninism in China. In the course of applying it to the solution of China's practical problems, our party has indeed developed Marxism-Leninism in many respects." (p 264) "Mao Zedong Thought constitutes an integral system and is a further development of Marxism." (P 40) This has explicitly pointed out that it is necessary to understand and generalize the scientific system of Mao Zedong Thought and to reveal its essential characteristics and basic essence starting from the relationship between Mao Zedong Thought and Marxism-Leninism, and its relationship with China's revolutionary practice; namely, its succession, application, and development of Marxism-Leninism in China's revolutionary practice. The "Resolution on Certain questions in the History of our Party Since the Founding of the People's Republic of China" drawn up under the correct leadership of Comrade Deng Xiaoping and the Central Committee through collective efforts has made an incisive generalization of the scientific system of Mao Zedong Thought. The basic tenets of Mao Zedong Thought constitute six parts; namely, theory on the new democratic revolution; theory on socialist revolution and construction; theory on the revolutionary Army and military strategy; theory on strategy and policy; theory on ideological and political work and cultural work; and theory on party building.

The three basic aspects running through the above-mentioned component parts with the stand, viewpoint, and approach characteristic of the Chinese Communists are: seeking truth from facts, the mass line, and independence and self-reliance. This is the living soul of Mao Zedong Thought that is of universal guiding significance for a still longer term. The new generalization of the essence of the ideological system of Mao Zedong Thought has given expression to a new height in the party's understanding of the scientific system of Mao Zedong Thought, which has laid the guiding role of Mao Zedong Thought on a more solid scientific basis.

And fourth, Comrade Deng Xiaoping has explicitly demonstrated the dialectical relationship between adhering to and developing Mao Zedong Thought, and stressed that it is necessary to continuously develop Mao Zedong Thought in our new practice.

The adherence to and development of Mao Zedong Thought are the starting point and basis for Comrade Deng Xiaoping's defending the scientific system of Mao Zedong Thought and affirming its guiding role. He has repeatedly discussed this question in many of his writings and speeches. By adherence, it means to adhere to the basic tenets proved to be correct through the test of practice, but not in the way of the "two whatevers," who stuck to fragments of Comrade Mao's speeches as dogma. By development, it means to enrich and supplement Mao Zedong Thought with the development of practice on the basis of adhering to it. The relationship between adherence and development is one of dialectical unification. The development of Mao Zedong Thought is possible only when we adhere to it. Adherence is the prerequisite and basis for development, while adherence is possible only when we develop Mao Zedong Thought, which is the condition and purpose of adherence.

Comrade Deng Xiaoping also emphatically pointed out: The crux of adhering to and developing Mao Zedong Thought lies in "studying in-depth the new conditions and new problems encountered in realizing the four modernizations and working out solutions to those problems -- solutions that will serve as guidelines for our action -- methodological and theoretical workers will be making a major contribution to Marxism and a genuine effort to hold high the banner of Mao Zedong Thought." (p 165) Since the 3d Plenary Session of the 11th CPC Central Committee, the Central Committee and Comrade Deng Xiaoping have started from the basic national conditions of China, seriously summed up the positive and negative experiences since the founding of the PRC, closely linked the basic tenets of Mao Zedong Thought to the great practice of China's socialist modernization, and found a correct path for socialist modernization with Chinese characteristics. This is the most important development of Mao Zedong Thought in the new historical period.

The series of inferences of Comrade Deng Xiaoping mentioned above played an important positive role in the history of our party and state. It promoted the shaping of a political situation of stability and unity, full of vigor and vitality throughout the nation, and the fulfillment of bringing order out of chaos in the party's guiding ideology. This was given focal expression in the "Resolution on Certain Questions in the History of Our Party Since the Founding of the People's Republic of China." Just as Comrade Hu Yaobang put it, "this resolution is a new milestone for the party and state to bring order out of chaos, to carry forward the revolutionary cause, and to forge ahead into the future." ("Selections of Important Documents Since the 3d Plenary Session of the 11th Central Committee" pp 853-854) The series of important inferences of Comrade Deng Xiaoping on scientifically affirming Comrade Mao Zedong's historical position and the guiding role of Mao Zedong Thought is, and will be, of far-reaching guiding significance in the future. It is an important guarantee to the political and ideological continuity and stability of our party and state, as well as an important guarantee to our party and state in building socialism with Chinese characteristics along a correct orientation and track.

YANG DEZHI, OTHERS AT SEMINAR ON ANTI-JAPAN WAR

OW281659 Beijing XINHUA in English 1648 GMT 28 Aug 85

["Hegemonism as Dangerous as Fascism: PLA Chief" -- XINHUA headline]

[Text] Beijing, August 28 (XINHUA) -- Hegemonism in the present era may lead to war, just as fascism did some 40 years ago.

This remark was made by Yang Dezhi, chief of the General Staff of the Chinese People's Liberation Army (PLA) today at the opening ceremony of a national seminar on China's anti-Japanese war.

Yang, also a member of the Political Bureau of the Communist Party Central Committee, noted that the purpose of the five-day seminar is to study the past war so as to draw lessons from history and prevent or postpone future wars.

He said that an important lesson taught by the war was that military theory is one of the essential factors determining victory. He stressed that study on past wars should be in keeping with the realities of China and rest of the world, with the focus on future wars, their characteristics and rules.

Other leaders attending the ceremony included Hu Qiaomu, member of the Political Bureau, and Deng Liqun, member of the Secretariat, of the party Central Committee.

The seminar will focus on the role of China's anti-Japanese war in the worldwide struggle against fascism during the second world war.

Hu Qiaomu gave his congratulations on the opening of the seminar on behalf of the party Central Committee.

He noted that the anti-Japanese war was a turning point in China's modern history, as the whole Second World War was for modern world history.

Hu added that the Chinese people were supported by the peace-loving people of the world and enjoyed cooperation with the Soviet, U.S., British, French, and Mongolian Governments in the war against the Japanese invaders.

The seminar is sponsored by the Chinese Academy of Social Sciences, the Academy of Military Sciences, and China's Society for the Study of the Second World War. It is being attended by experts and scholars from the Army and research institutes.

SHANDONG HOLDS EDUCATIONAL WORK CONFERENCE

SK281317 Jinan Shandong Provincial Service in Mandarin 2300 GMT 26 Aug 85

[Excerpts] The provincial education work conference sponsored by the provincial CPC Committee and the provincial people's government opened at the Nanjiao Guesthouse in Jinan City on the morning of 26 August. The major agenda items of the conference are: to study and implement the decision made by the CPC Central Committee with regard to conducting reforms in educational systems; to discuss revising the opinions put forward by the provincial CPC Committee and the provincial people's government on implementation of the CPC Central Committee's decision on educational reform; to sum up and exchange the province's experience in conducting reforms in educational systems in the period since the 3d Plenary Session of the 11th CPC Central Committee; and to commend the advanced units and individuals who did an outstanding job in making elementary education universal, developing vocational and technical education, and rebuilding middle and elementary school buildings.

Ma Changgui, vice governor of the province, presided over the conference. Lu Maozeng, deputy secretary of the provincial CPC Committee, addressed the conference. Zheng Weimin, Standing Committee member of the provincial CPC Committee and director of the Propaganda Department, attended the conference.

In his speech, Comrade Lu Maozeng stated: The key to reforming and developing education lies in leadership. Our leadership at all levels should make a new ideological leap forward in this regard, foster the fundamental guiding ideology that education must serve socialist construction and socialist construction must depend on education, discover those who have failed to pay attention to education and are not mature and far-sighted leaders, and do a good job in grasping education in a down-to-earth manner. Only by dealing with ideological problems created by the leadership at all levels, realistically regarding education work as an important schedule, and steadily overcoming difficulties in education work will we certainly be able to make the entire party and society attach importance to education, to create a fine morale throughout the province in which the people respect teachers and morality, and to rapidly make the province's educational undertaking flourish.

At the conference, Gao Weizhen, director of the provincial Education Department, delivered a speech, in which he explained in detail the opinions put forward by the provincial CPC Committee and the provincial people's government with regard to implementing the decision made by the CPC Central Committee on conducting reforms in educational systems.

RAINS CAUSE WIDESPREAD DAMAGE TO LEIZHOU

HK290424 Beijing ZHONGGUO XINWEN SHE in Chinese 1350 GMT 28 Aug 85

[Text] Guangzhou, 28 Aug (ZHONGGUO XINWEN SHE) -- Heavy rain since 26 August has caused a disastrous flood on the Leizhou peninsula in Guangdong Province.

It has been learned that in Haikang, Lianjiang, and Suixi Counties, at least 26 people have died and more than 120 people have been reported missing in the heavy rainstorm so far. A total of more than 1.5 million mu of farmland has been flooded in the disaster area.

In the worst afflicted county of Haikang, a total of 950 mm of rainfall has been recorded in 3 days, about three-quarters of the normal annual rainfall in previous years. According to preliminary statistics, 62 villages in that county have been destroyed by floods, more than 50,000 people trapped by floodwaters, and 540,000 mu of farmland flooded.

This morning, Guo Rongchang, deputy secretary of the Guangdong Provincial CPC Committee, rushed to the disaster areas at the head of a relief team to direct flood-resistance work. The Navy's South Sea Fleet dispatched more than 30 warships and more than 500 soldiers yesterday to the disaster area to save people besieged by floodwater.

According to analyses by the Guangdong Provincial Meteorological Station, the rainstorm has been caused by a tropical low pressure front near Beibu Bay. In the next 2 days there is still the possibility of continuously heavy rain in the southwestern region of Guangdong Province. This will worsen the disaster situation on the Leizhou peninsula and make it more difficult to deal with emergencies and fight the flood.

HAINAN FACTORY RESISTED CAR RESELLING DEALS

HK271216 Haikou Hainan Island Service in Mandarin 0400 GMT 26 Aug 85

[Text] In conscientiously implementing the spirit of Central Document No 11 and in adhering to the orientation of socialist enterprises, factory No 7430, run by the garrison troops stationed on Hainan Island, resolutely resisted the unhealthy tendency of reselling imported cars at a profit, combated crooked ways, and insisted on carrying out reforms and tapping its potential to achieve better economic results. This has given a vigorous boost to its production. The total output value of the factory in 1984 amounted to 6.2 million yuan and gained net profits of 2.43 million yuan, increases of 40 percent and 48 percent respectively over 1983, and per capita profit ranked the factory first in factories of the same category run by the Army. Furthermore, the factory's gross output value and profits from January to July this year rose to 4.82 million yuan and 2.3 million yuan, increases of 51 percent and 69 percent respectively over the corresponding period last year.

Factory No 7430 is a car repair and assembly plant established by the Guangzhou Military Command Logistics Department on Hainan Island. In the second half of last year, the evil tendency of reselling imported cars at a profit on the island also hit the factory. Some people of the factory saw others making a fortune from the car deals, and also had an itch to try. They repeatedly advised the factory's leadership to deal with the business by using its good connections with other units. Meanwhile, scores of enterprises on and off the island came swarming one after another, asking to make deals with the factory. In the face of such evil tendencies, all members of the factory's CPC Committee repeatedly studied Central Document No 11 and held heated discussions on the reselling imported cars deal.

Finally they came to the conclusion that they had to adhere to the orientation of socialist enterprises and the principle of serving the PLA units and their customers well, that they had to expand production by carrying out reforms and tapping potential, and they came to realize that they should by no means seek ill-gotten gains and should in no case violate the law and discipline and damage the interests of the country. Hence, the factory's CPC Committee wasted no time making decisions on two points: First, not to establish "suitcase" companies for profit-making; second, cadres were strictly told not to engage in illegal business. All members of the factory's CPC Committee were strict with themselves and took the lead in combating evil tendencies and observing the law and discipline.

Last September some people of the local authorities called on (Tan Sitang) member of the CPC Committee and director of the factory, suggesting a plan to cooperate with the factory in a car deal by using the factory's military car licenses and funds. This suggestion was immediately rejected by the director.

At the same time, in the spirit of Central Document No 11 and of carrying out the reforms and improved enterprise management in a down-to-earth manner to tap production potential. In early September last year, while the director assumed full responsibility, the factory streamlined administration, merging 13 sections into 3 departments, 2 offices, and 2 sections and reducing cadres by 14. Meanwhile, it also instituted a tenure system for cadres so that they would be ready to work both at the top and at the grass roots. In addition, a contract economic responsibility system was introduced in various forms throughout the factory by simplifying administration and delegating power to lower levels. As a result, all the factory's functions, tasks, and interests were closely linked and the initiative of cadres and workers was brought into full play. Last December the factory repaired 45 cars and produced 11,000 carburetors, chalking up a record for that month.

HUNAN SECRETARY ADDRESSES RECTIFICATION GROUP

HK271554 Changsha Hunan Provincial Service in Mandarin 1100 GMT 27 Aug 85

[Text] This morning, the party rectification guidance group under the provincial CPC Committee held a meeting of responsible comrades from CPCP committees and groups of units above provincial department and bureau levels, stressing that the first group of units carrying out party rectification should take effective measures to conduct a review of party rectification, to affirm their own achievements with a truth-seeking attitude, to find out where they lag behind, to seriously solve existing problems, to consolidate and develop achievements in party rectification, and to ensure and promote smooth progress in reform.

Liu Zheng, deputy secretary of the provincial CPC Committee and deputy head of the party rectification guidance group of the provincial CPC Committee, presided over the meeting.

Mao Zhiyong, secretary of the provincial CPC Committee and head of the party rectification guidance group, delivered an important speech at the meeting.

Other members and advisors of the guidance group attending the meeting included Liu Fusheng, (Wong Wensheng), Shi Xinshan, Shen Ruiting, Zhao Chuqi, Wan Da, and Luo Qinan.

In his speech, Comrade Mao Zhiyong first made an overall analysis of party rectification work and the political and economic situation in the province. While fully affirming the achievements made by the province, he sharply pointed out existing problems and deficiencies.

He said we have a long way to go and many problems to study on how to adapt our ideology to the new situation of reform, how to take into account the overall economic situation, how to enliven and exercise macroeconomic control over the economy, how to grasp the building of the two civilizations simultaneously, how to promote in-depth development of party rectification in the province, and how to thoroughly change our leadership style. Some units carrying out party rectification have failed to implement measures for creating a new situation and to have a normal democratic life, and have been lax in discipline. There also exists in some units the idea of everything for money. All these problems must be solved.

In his speech, Comrade Mao Zhiyong emphatically pointed out that in the course of conducting a review and consolidating and developing the achievements in party rectification, all units must firmly grasp the following five points:

1. They must further correct their guiding ideology on profession. In particular, they must unify their ideas on reform, so that the vast number of party members can fully understand that reform is for developing the productive forces and for making the people rich and the state powerful, but not for the private interest of small groups and individuals and not to fish for money.
2. They must conduct in-depth education in ideals and discipline, strengthen party members' sense of party spirit, and resolutely correct unhealthy trends. In conducting education in party rectification, they must stress the main points while linking it with reality, and do so in a vivid, lively, and practical way. Leaders must set an example in this respect. It is necessary to resolutely correct the unhealthy trends which have appeared since last year. In particular, it is necessary to remove various obstacles and to thoroughly investigate and deal with important and principal cases.
3. They must seriously improve their leadership style, go deep into practice, pay less lip service, do more practical work, and genuinely serve grass-roots units and the masses.
4. They must continue to seriously sort out the people of three categories and other elements who persist in opposing and endangering the party, and vigorously strengthen the building of leadership groups and the third echelon.
5. They must establish, perfect, and reform all necessary systems related to inner-party life, and firmly grasp the regular building of the party's ideology, style, and organizations.

Mao Zhiyong said that conducting the current review is making up a missed lesson and leaders must set an example in this respect. It is necessary to spend 2 months in conducting a review and examination of the units undergoing the first stage of party rectification by combining party organizations and party members and combining the method of from top to bottom and that of from bottom to top. It is necessary to grasp existing problems, to properly solve them, and to report them to the provincial CPC Committee. In addition, all provincial departments and bureaus must strengthen specific leadership over party rectification work in provincial organs undergoing the second stage of party rectification so as to prevent party rectification from being carried out perfunctorily.

BANQEN ERDINI ATTENDS LHASA CELEBRATIONS

OW281531 Beijing XINHUA in English 1504 GMT 28 Aug 85

[Text] Lhasa, August 28 (XINHUA) -- Banqen Erdini Qoigyí Gyancan, vice-chairman of the National People's Congress Standing Committee and a senior Tibetan lama, attended religious activities at two monasteries here this morning. He arrived here yesterday as a deputy leader of a central delegation to the celebrations marking the 20th anniversary of the Tibet Autonomous Region. This is his second visit to Tibet since 1982.

Nearly 10,000 Buddhists lined the streets to welcome the religious leader as he drove to the golden-roofed Jokang Temple. Lhunzhub Tabkylai, acting president of the Tibetan branch of the Chinese Buddhist Association, and other local religious leaders waiting at the gate of the temple presented him with a hada (ceremonial silk scarf).

After attending religious activities at the Jokang and Ramoche Temples, the Banqen Lama addressed a group of lamas and other Buddhists who had come to pay their respects. He said that the Communist Party Central Committee and the State Council had always attached great importance to Tibet. The autonomous region has made remarkable progress over the past few years since the central government adopted in 1980 a series of policies in keeping with Tibetan conditions. All these policies have been faithfully implemented, he said.

He praised Wu Jinghua, the new secretary of the regional Communist Party Committee. "He has been here for only a short time, but has done a lot of good work," he said.

Accompanying the Banqen Lama, who is also honorary president of the Buddhist Association of China, were Pagbalha Geleg Namgya, vice-chairman of the region's People's Congress Standing Committee, and other local leaders.

XING CHONGZHI LETTER TO HEBEI AUDITING BUREAU

SK280428 Shijiazhuang HEBEI RIBAO in Chinese 6 Aug 85 p 1

[Excerpt] The provincial Auditing Bureau held a provincial auditing work conference from 26 July to 1 August. The comrades who participated in the conference conscientiously studied and discussed the letter written by Xing Chongzhi, secretary of the provincial CPC Committee, to the leading party group of the provincial Auditing Bureau. The participants also summed up and exchanged the experience gained in auditing work in the first half of the year, and discussed and defined tasks for auditing work in the second half of the year. Speaking at the conference were Yue Zongtai, vice chairman of the provincial People's Congress Standing Committee, and Hong Yi, vice governor of the province.

At the conference, the printed copies of Comrade Xing Chongzhi's letter, which was sent to the leading party group of the provincial Auditing Bureau on 20 July, were distributed among the conference participants. In his letter, he said: I think that in the first half of the year, the provincial Auditing Bureau performed very well and achieved remarkable results. We can say that a new situation has already been created in auditing work. Auditing work in the first half of the year was closely combined with the central work of the party, with correction of new unhealthy trends, and with the campaign against serious economic irregularities, resulting in good situations in all these fields. From now on, the task will become increasingly important, the scale of work will become increasingly extensive, and the demands will become larger and larger. Therefore, we should attain a yet higher goal on the basis of summing up the work of the preceding stage. We should make a painstaking and comprehensive analysis of the problems discovered in the auditing work, and help the departments concerned solve their problems and improve their work. We should depend on financial, accounting, and auditing personnel to help departments concerned raise their professional level. We should also cooperate with departments concerned to struggle against all violations of financial and economic regulations and all fraudulent practices.

HEBEI LEADERS TO ADDRESS POLLUTION PROBLEMS

SK270507 Shijiazhuang Hebei Provincial Service in Mandarin 2300 GMT 22 Aug 85

[Excerpts] According to HEBEI GONGREN BAO [HEBEI WORKERS' PAPER], leaders of the Standing Committee of the provincial CPC Committee, the provincial government, and the Shijiazhuang City government have paid attention to the visits and letters of the people. Recently, they held a meeting of persons from the relevant departments to study and discuss ways to make the agricultural chemical and reagent plants, which have polluted the environment and harmed the health of the people living in the neighborhood, move to other places.

At present, the Standing Committee of the provincial People's Congress, the provincial government, and the Shijiazhuang City Government have placed this issue on their important agenda and have prepared to fundamentally solve the pollution problems of this locality in the near future.

NI ZHIFU VISITS TIANJIN WAR EXHIBITION

SK290117 Tianjin TIANJIN RIBAO in Chinese 16 Aug 85 p 1

[Excerpt] On the morning of 15 August, at the main exhibition hall of the Tianjin Municipal Historical Museum, rows of PLA soldiers and old anti-Japanese soldiers stood before the front wall of the front hall, inlaid with the big characters reading "Dedicated to the martyrs and people who sacrificed heroically in the antifascist war of the world."

They were waiting for the opening of the exhibition marking the 40th anniversary of the victory of the anti-Japanese war and the antifascist war of the world.

At 0900, Ni Zhifu, secretary of the municipal CPC Committee, cut the ribbon for the exhibition. After this, the municipal leading comrades, including Ni Zhifu, Xiao Yuan, Liao Canhui, Tan Songping, Lan Baojing, and Zheng Wantong, toured the exhibition together with the masses.

More than 500 pictures and some 90 articles were on display at the exhibition. Some of the pictures are being displayed for the first time. According to a responsible comrade of the Tianjin Municipal Historical Museum, the sponsor of the exhibition, this exhibition focused on the entire course of the Chinese people's resistance against Japan under the banner of the anti-Japanese national united front advocated by the CPC.

TIANJIN SEEKS TO STEP UP IDEOLOGICAL WORK

HK280941 Beijing JINGJI RIBAO in Chinese 20 Aug 85 p 1

[Report by Reporter Buo Maosheng: "Tianjin Municipal CPC Committee Conducts Ideological Investigation and Study on a Large Scale"]

[Text] Last May the Tianjin Municipal CPC Committee organized more than 300 cadres to go down to the grass-roots units and analyze typical cases, investigate the new situation emerging on the ideological front in the course of reforms and of opening up to the outside world, and explore new ways to strengthen ideological work under the new situation.

The principle leading comrades, including Tianjin Municipal CPC Committee Secretary Ni Zhifu and Deputy Secretaries Zhang Ziawang and Tan Shaowen, personally led and took part in the investigation. The principal leading cadres of 10 departments and commissions under the municipal CPC Committee, such as the Industry and Transport Department, the Rural Work Department, the Market Department, the Foreign Economic Relations and External Affairs Commission, the Organization Department, and the Propaganda Department, as well as the principal responsible comrades of various bureau CPC committees, also personally organized and took part in the investigation work. They regarded the investigation as an important measure to implement Comrade Deng Xiaoping's instructions on building up a contingent of cadres with lofty ideals, moral integrity, education, and a sense of discipline, to ensure the smooth progress of reforms and of opening up to the outside world, and to stimulate economic development. Over the past 3 months and more, the 300-odd cadres from the municipal CPC Committee have conducted thorough and meticulous investigation of the ideological conditions of more than 100 grass-roots units, including various factories, enterprises, shops, schools, villages, residential districts, scientific research units, and literature and art organizations. In an effort to understand the ideological conditions of people at different levels and in different trades, the investigation groups extensively adopted various methods, such as holding different types of discussion meetings, conducting heart-to-heart talks on an individual basis, distributing ideological questionnaires to people without requiring them to give their names, and carrying out quantitative surveys.

According to statistics released by the Foreign Economic Relations and External Affairs Commission, in the course of conducting investigation in 37 units, it has held 394 discussion meetings of various types with a total attendance of more than 6,780 people; held heart-to-heart talks on an individual basis with or visited 451 cadres, workers, and other employees; conducted sample or quantitative surveys on 6,682 people; and carried out investigation by collecting questionnaires from 1,000 cadres engaged in political work, thus attaining extremely rich achievements in investigation and study. The market department has raised 24 questions related to price reform, the management responsibility system, wage reform, the policy of opening up to the outside world, personal political aspirations, and matters of the greatest interest to the individuals concerned.

In the course of the investigation, many comrades laid bare their ideological conditions and adopted the method of holding heart-to-heart talks and discussions to jointly enhance their understanding. Readjustment has been made on those leading bodies that failed to attach importance to ideological work for a long time and that had unhealthy party work style; on the basis of investigation and study, measures have also been taken toward those trades with relatively serious problems in ideological work, and initial results have been attained. The Tianjin tourist bureau has set up 10 joint enterprises in recent years. On the basis of investigation and study, the bureau has worked out specific measures for strengthening ideological work in the joint enterprises. This has not only been well received by the workers and staff members but also regarded favorably by foreign businessmen.

The work of investigating and studying ideological conditions in Tianjin is being carried out thoroughly at present. The municipal CPC Committee will concentratedly study and solve numerous problems of a general character that have been discovered in the course of the investigation.

Commentator's Article

HK280943 Beijing JINGJI RIBAO in Chinese 20 Aug 85 p 1

[Commentator's article: "Party Committees Must Do Well in Ideological and Political Work Under the New Situation"]

[Text] Under the new situation marked by the profound development of reform and the policy of opening up to the outside world, how to genuinely unify the ideas and actions of the vast numbers of cadres and people on the basis of the principles, lines, and policies of the CPC Central Committee through powerful ideological and political work constitutes a major issue vital to the success or failure of our four modernizations cause. It is also an urgent task confronting party committees at all levels.

In the face of such a major issue, however, some muddled views and erroneous ideas still exist among leading cadres of some party organizations. While liquidating the "leftist" influence in ideological and political work, some have gone from one extreme to the other by giving up and even negating ideological work. This is a very dangerous tendency which merits the close attention of party committees at all levels. Some still carry out ideological work by continuously quoting the old hackneyed and stereotyped expressions characterized by lying, making empty promises, and boasting. A larger number of comrades, however, are at a loss as to how to conduct ideological work under the new situation. This state of affairs has resulted in weak ideological and political work in some localities, departments, and units and it is even on the verge of being abolished in some others.

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In such localities, departments, trades, or units, ideological confusion has emerged in varying degrees among cadres, workers, and other employees; unhealthy trends and evil practices are rampant; operation and management of production is poor; and policies on reform and on opening up to the outside world cannot be correctly implemented. The situation has clearly developed to such an extent that it is imperative to grasp ideological and political work. Failure to grasp this work will harm the party, the state, and the people and delay the great cause of the four modernizations. The party committees at all level should never be careless about this.

The key to strengthening ideological and political work lies in party committees, particularly the principal responsible cadres of party organizations at all levels. The leading comrades of the Tianjin Municipal CPC Committee have taken the lead in getting themselves moving and going down to the grass roots and the masses. In the course of investigation and study, they have enhanced their own understanding, launched numerous forms of ideological and educational activities, and explored new ways to conduct ideological work. This practice is worth studying. The practice of Tianjin shows that as long as party committees at all levels genuinely grasp ideological and political work as a major issue, they will certainly be able to open up a new situation in ideological and political work.

LI LIAN INSPECTS HEILONGJIANG FLOOD SITUATION

SK290450 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 28 Aug 85

[Text] On 28 August, during his inspection tour of Lanxi County, Li Lian, secretary of the provincial CPC Committee, pointed out that all localities should vigorously provide for and help themselves by engaging in production in the course of developing the commodity economy, and should help the masses increase their income.

Li Lian said: From now on, in rebuilding our homeland, we should draw a lesson from past experiences, work out a reasonable plan, and resolutely move those villages located close to river dams to areas far from them. From now on, we should handle affairs in accordance with the laws of nature. If necessary, all cultivated land in the bend of a river should be given up and returned to the river. If such land cannot be given up immediately, we should grow summer crops on it.

Comrade Li Lian called on cadres and the masses in disaster-stricken areas to enhance their spirit, actively provide for and help themselves by engaging in production, and rush to harvest as much of the flood-afflicted crop as possible. The masses should be mobilized to raise hogs, chickens, rabbits, and fish. The departments concerned should unclog the circulation channel and help the masses increase their income.

GAO DI ATTENDS JILIN CIVILIZED FAMILIES MEETING

SK290249 Changchun Jilin Provincial Service in Mandarin 1030 GMT 28 Aug 85

[Text] The provincial civilized families' experience-exchange meeting was held today. Gao Di, secretary of the provincial CPC Committee, stressed at the meeting that each and every unit and family should display the communist spirit of fighting in unity and cooperation in the course of combating floods and sending relief, and should greatly advance the building of the socialist material and spiritual civilizations.

Comrade Gao Di said: This year our province has suffered from unprecedentedly serious flooding and waterlogging. The losses were serious. Through the heroic fight of the broad masses of armymen and civilians, losses caused by the disasters were greatly minimized. However, we still need to make continued and protracted efforts in order to overcome the difficulties caused by the disasters. The provincial CPC Committee and government have already decided to extensively carry out activities on increasing production and income and on combating disasters through self-reliance in rural areas; and to extensively carry out activities on increasing production and practicing economy, increasing income and reducing expenditures, increasing economic results, and supporting the disaster-stricken urban areas. Each and every department, unit, and family across the province should actively participate in such activities, and make concerted efforts to help the disaster-stricken areas overcome difficulties and to help the victims rebuild their homes. We have ambition, confidence, and the strength to do a better job in building cities, towns, and the countryside, in carrying out various fields of work, and in advancing the building of the two civilizations.

Wang Liwei, secretary of the All-China Women's Federation Secretariat, attended today's meeting and gave a congratulatory speech.

LIAONING TELEPHONE CONFERENCE ON FLOOD WORK

SK270551 Shenyang Liaoning Provincial Service in Mandarin 2200 GMT 26 Aug 85

[Excerpts] On the evening of 26 August, the provincial CPC Committee and government held an emergency telephone conference on flood and rescue work. The conference relayed the guidelines of the Standing Committee meeting of the provincial CPC Committee and pointed out that our province's flood work has entered the stage of a decisive battle. It called on cadres and the masses across the province to overcome the idea of slackening vigilance and relaxing efforts, to enhance their fighting spirit, and to win victory in the decisive flood battle.

At the conference, Sun Seiben, deputy secretary of the provincial CPC Committee, reported on the province's disastrous situation. He noted: The current work of primary importance is to continuously attend to flood and rescue work. Leaders at all levels should work in the forefront to ensure the safety of dikes. It is necessary to establish strict responsibility systems, to assign different persons to take charge of each section of the dikes, to re-examine the dikes, and to ensure their safety. Sun Weiben also called for extending another battle line and organizing rescue work well. First, we should ensure the safety of the people's lives and property, evacuate the victims to safe places, and properly arrange for their livelihood. He urged the various localities to adopt the method of assigning work to different levels and to evacuate the victims from the disaster-stricken areas. Second, we should realistically see to the livestock of the masses. As for those livestock which the victims cannot take along with them, the commercial departments should organize a way to purchase them in order to lighten the burden of the masses. Such work should be fulfilled as one of the rescue tasks.

Li Guixian, secretary of the provincial CPC Committee, delivered a speech at the telephone conference. He pointed out: Although our provincial disasters are serious, our ability to deal with emergencies and to rescue the people is very strong. So long as we organize the strength and materials of all quarters, we will surely win victory in the flood and rescue work. He said: At present, we are faced with a critical situation. Though the flood situation is easing, the flood waters have not yet subsided. The situation in the main course of Liao He is still very serious. All cadres and masses of the various cities and counties in the Liao He valley should not slacken their vigilance and efforts. At present Panjin City has the greatest pressure. The broad masses of people and the PLA commanders and fighters who are participating in the flood combat and rescue work in Panjin City have full confidence and great determination and have adopted effective measures. They have decided to protect the major dikes, Panjin City, and the Liaohé oil field. At present, the cadres in the city are carrying out flood combat and rescue work in good order and with full confidence.

Comrade Li Guixian said: At present, many people are stranded at the Liao He and Taizi He dikes and in some flood-stricken villages. They have difficulty in getting food, firewood, and accommodations. We hope that comrades of the relevant cities will mobilize people to help the victims and to settle the disaster-stricken masses with fraternal feelings. He said: As long as we persist in combating flood for a period of time, and exert all-out efforts to protect the major dikes, the flooding situation will change.

WANG ENMAO NOTES XINJIANG, SICHUAN COOPERATION

HK210355 Chengdu Sichuan Provincial Service in Mandarin 1030 GMT 19 Aug 85

[Text] In the afternoon of 17 August, Wang Enmao, first secretary of Xinjiang Uygur Autonomous Region's CPC Committee, was interviewed in Urumqi by state reporters.

On the large Xinjiang chemical fertilizer plant project, undertaken by the province's chemical industry construction company No 7 under the Ministry of Chemical Industry, Comrade Wang Enmao said chemical industry construction company No 7 is a good team which was sent by the Sichuan Provincial CPC Committee and the people's government and the Ministry of Chemical Industry to undertake the project of building the large Xinjiang chemical fertilizer plant. It is good in terms of progress and quality. The regional CPC Committee is satisfied with the team's work. The large chemical fertilizer plant is significant in putting an end to Xinjiang's backward situation, and in promoting the development of Xinjiang's nationality economy, particularly the development of agriculture and animal husbandry.

Wang Enmao said that in the course of construction, Sichuan's CPC Committee and government sent two delegations to visit the team. This greatly encouraged the workers and played an important role in helping them concentrate their efforts on the project. This support and spirit of Sichuan Province are worth studying and have won the respect of all. We thank the province for its support.

On the support to Xinjiang given by other parts of China, Comrade Wang Enmao said because of historical reasons, the minority nationality areas are backward in terms of economics and education when compared with fraternal provinces and regions. The central authorities are much concerned with economic development in the minority nationality areas. The Sichuan Provincial CPC Committee and government have acted in the spirit of the central authorities' instructions and have given us great support.

He said: In the 1950's and 1960's, Sichuan mobilized a large number of youths to support Xinjiang. Now, people from Sichuan are spread across the region. They have made great contributions to the economic development of the region. Xinjiang's people of various nationalities always remember them.

On further strengthening economic and technological cooperation and promoting economic development between Xinjiang and Sichuan, Comrade Wang Enmao pointed out that the present policy of opening up to other parts of China is a good one. Therefore, Xinjiang and Sichuan should strengthen their cooperation and links. Both the Han nationality and the minority nationalities are inseparable from each other. Likewise, Xinjiang is inseparable from the natural deposits of Sichuan, and Sichuan is inseparable from the natural resources of Xinjiang. There are broad prospects for Xinjiang-Sichuan economic and technological cooperation in such forms as establishing joint ventures and technological cooperation. We welcome Sichuan to invest here. From now on, there should be air services linking Xinjiang and Sichuan. The region will form an airline company this year and people will be able to fly directly from Chengdu and Chongqing to Urumqi.

In his conclusion, Comrade Wang Enmao said: Xinjiang is a piece of treasure land yet to be developed. Sichuan and other provinces and regions in China are welcome to develop and build this region. With abundant natural resources, Xinjiang can cooperate with other fraternal provinces and regions, which possess capital and technology, so that the natural resources in Xinjiang can be fully used. This is beneficial to Xinjiang, the fraternal provinces and regions, and the state.

XINJIANG LEADERS ATTEND CORBAN FESTIVAL

OW272226 Beijing XINHUA in English 2032 GMT 27 Aug 85

[Text] Urumqi, August 27 (XINHUA) -- Uygur villagers in Opal Township in the Xinjiang Uygur Autonomous Region, which was hit by an earthquake of 7.4 magnitude on the Richter Scale last Friday, today observed their annual Corban festival with relief supplies provided by the central government. Nine thousand kg of rice, 4,500 kg of vegetable oil, and 2,300 kg of mutton were provided by the local government for the festival in the disaster area.

The Uygurs are predominantly Muslims in Xinjiang and Corban is one of the three major Islamic holidays. Local officials today joined the villagers for the festival which was mostly observed in temporary shelters.

Meanwhile, Li Jiayu, secretary of the Communist Party's Xinjiang Autonomous Regional Committee, attended the Corban festival ceremony held in another earthquake-hit area -- Wuqia -- in the autonomous region.

[Beijing XINHUA Domestic Service in Chinese at 1852 GMT on 27 August transmits a similar item, with the following additional information: "Bringing brick tea, candies and other gifts, leading cadres of the party and government organs of Kashi Prefecture, the third agricultural construction division, and Shufu County visited the quake-stricken families today to extend their festive greetings. Li Jiayu, secretary of the Xinjiang Autonomous Region, spent the festival with the people in Wuqia County; and Ismail Amat, governor of the autonomous region, visited the wounded hospitalized at the Artux hospital."]

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